

ANNEXURE E



MUNICIPAL ENTITY 2014/15 ANNUAL PERFORMANCE REPORT

2014/15

Annual Report



Maluti-a-Phofung Water (Pty) Ltd
2014/15

"Leaders in Water Service Provision"

Physical Location and Contact Details

<i>Physical Address</i>	:	<i>Old Government Building</i>
	:	<i>Industrial Area No2</i>
<i>Postal Address</i>	:	<i>Private Bag X 874</i>
	:	<i>WITSIESHOEK</i>
	:	<i>9870</i>
<i>Harrismith Office</i>	:	<i>Andries Pretorius Street</i>
		<i>Harrismith</i>
		<i>9880</i>
<i>External Auditors</i>	:	<i>Auditor General</i>
<i>Bank</i>	:	<i>First National Bank</i>
<i>Insurance Brokers</i>	:	<i>Lateral Unison</i>
<i>Company Secretary</i>	:	<i>Vacant</i>
<i>Registration number</i>	:	<i>2005/033425/07</i>

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Acronyms and Abbreviations

Auditor General	AG:
Activated Sludge Reactor	ARS:
Board Of Directors	BOD
Chief Executive Officer	CEO
Chlorine	C12
Disabling Injury Frequency Rate	DIFR
Department of Water Affairs	DWA
Enterprise Risk Management	ERM
Executive Committee	EXCO
Free Basic Water (6 Kilolitre's / household / month)	FBW
1 Kilolitre =1000 litre's	M ³
House Hold	H/H
Human Resource	HR
Integrated Development Plan	IDP
Information Technology	IT
Maluti-a-Phofung Local Municipality	MAP LM
Maluti-a-Phofung Water	MAP Water
Municipal Finance Act	MFMA
Measure of the turbidity or clarity of the water	NTU
Measure of acidity	pH
Safety, Health and the Environment and Quality	SHEQ
Total Injury Frequency Rate	TIFR
Water Services Authority	WSA
Water Services Provider	WSP
Water Services Development Plan	WSDP

CHAPTER 1



LEADERSHIP & CORPORATE PROFILE

SECTION 1

Corporate Profile and Overview of the entity

MAP Local Municipality as a Water Services Authority (WSA) has established Maluti-a-Phofung Water (MaP Water) on the 01st November 2005 as a Water Services Provider (WSP) to address water and sanitation provision issues within its jurisdiction.

MaP has only one shareholder and sole owner, our Parent Municipality – Maluti-a-Phofung Local Municipality (MAPLM) is under the political leadership of Cllr. VW Tshabalala, the Executive Mayor. The Head of the Administration, Municipal Manager is Mr. TC Taetsane.

EXECUTIVE MAYOR

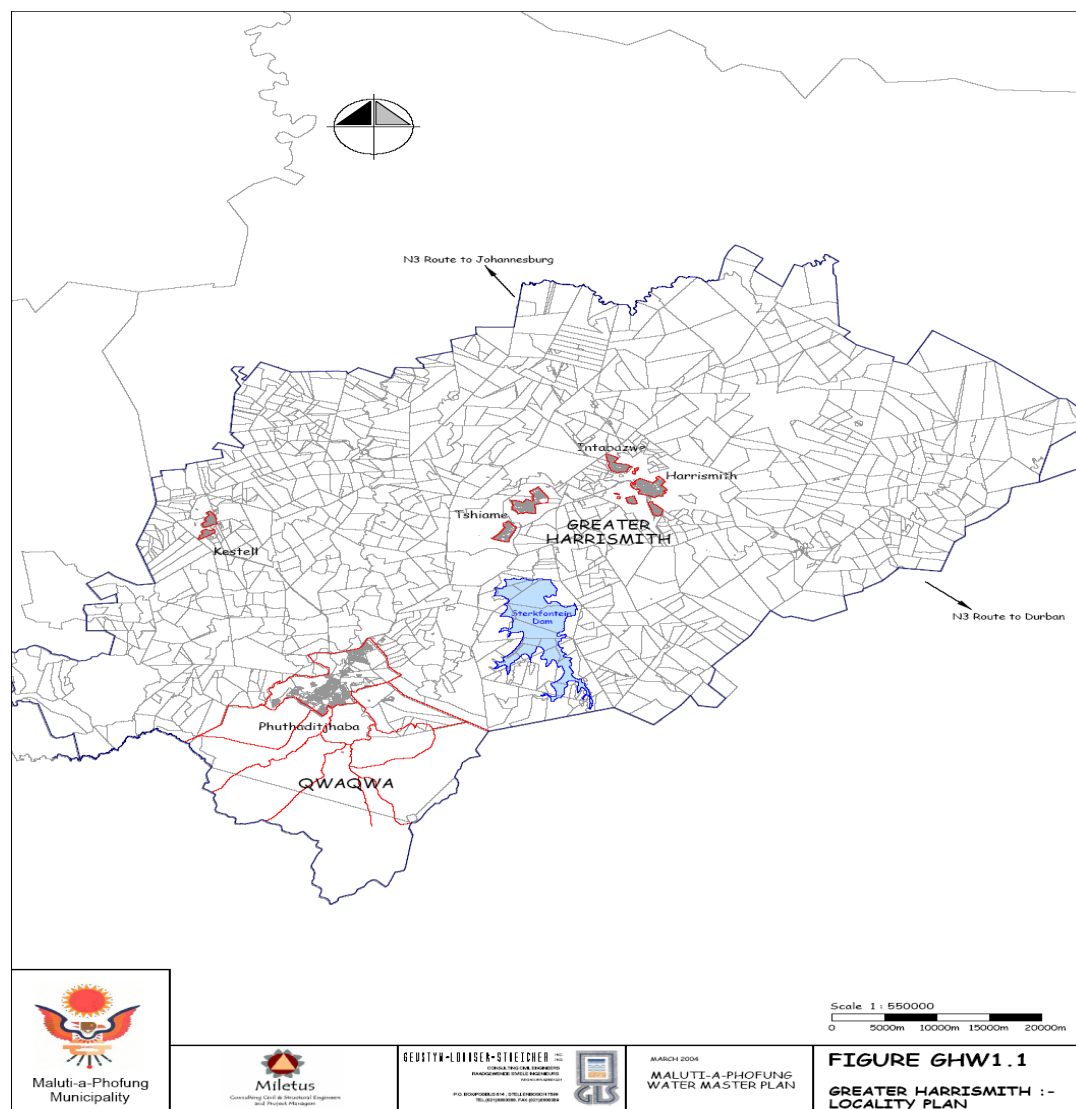
Cllr. VW Tshabalala

MUNICIPAL MANAGER

Mr. TC Taetsane

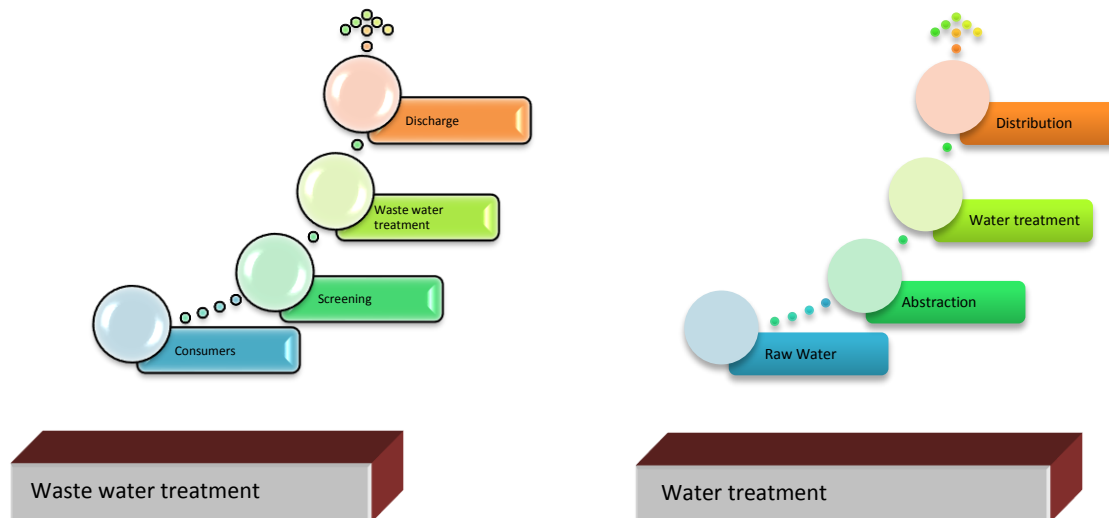
Synopsis

Maluti-a-Phofung Water (Pty) Ltd (MAP Water) is a municipal owned entity established in 2006 by the Maluti-a-Phofung Local Municipality (MAPLM) in terms of the provisions of the MFMA (No 56 of 2003) and Municipal System Act (No 32 of 2000). The establishment of the entity was as a result of the implementation of the section 78 process followed by the municipality. The entity is 100% owned by municipality and its head offices in Phuthaditjhaba, QwaQwa and a satellite office in Harrismith.



Our core business deals with the complete water and sanitation business. Water processes from abstraction, purification and distribution. Wastewater treatment from consumers, screening, and treatment processes and then finally discharge it back into the rivers. Our major customers are therefore domestic consumers, industries and businesses. The entity's operations are guided by MFMA

(No 56 of 2003) and Companies Act 1973 (No 61 of 1973). In fulfilling its mandate, the entity relies on the principles of value addition, development, environmental sustainability, knowledge management and partnerships.



MAP Water scope of work as a WSP covers the following

- Sustainable operation and maintenance of all the water and sanitation assets of the municipality. This includes operations and maintenance of water treatment plants, waste water treatment plants, bulk water distribution networks, waste water outfall sewers and water reticulation network.
- Optimization of water and sanitation provision with MAP LM.
- Achievement of Blue and Green Drop on water and sanitation schemes operated by the entity.
- Compliance to all water and sanitation standards and legislation.
- Assist community with operation of septic tanks and private water and sanitation systems.
- Advise and assist the WSA on other water and sanitation issues that needs to be addressed by the WSA. These issues include projects Water Services Development Plan (WSDP), Water Conservation and Demand Management Plans (WCDP), Water Master Plan (WMP) and Sewer Master Plan (SMP).

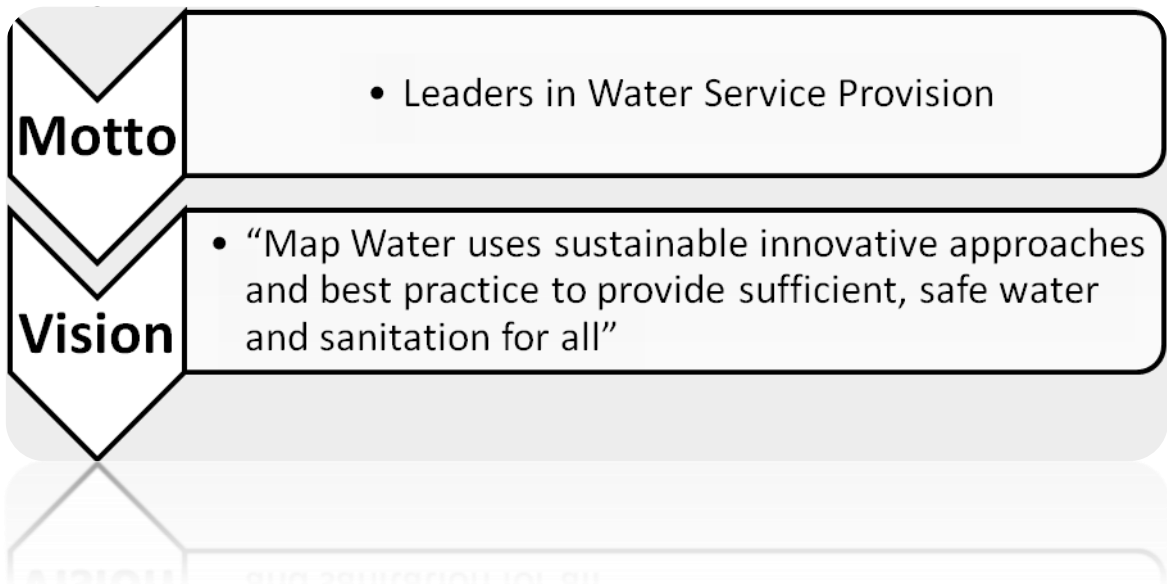
The Scope of MAP LM as WSA

- Implement all capital projects
- Implement all refurbishment and upgrade projects
- Formulation of the necessary plans for effective and efficient water and sanitation service provision (formulation of WCDP, WSDP for integration into IDP, WCDP, WMP and SMP)
- Monitoring WSP to ensure service delivery, compliance standards and legislation
- Ensuring achievement of Blue and Green Drop achievement within MAP LM

With the above institutional arrangement in place service delivery of the highest level is expected to be rendered to the community of Maluti-a-Phofung Local Municipality.

In terms of the service delivery agreement (SDA) MAP Water is responsible for the provision of water and waste water services to the people of Maluti-a-Phofung municipal area and also to act as a revenue management.

The crucial aspects of our commitment towards continual excellence in water and sanitation service delivery are captured in our motto, vision and mission.



Improved service to customer
Optimized operations (water and sanitation)
Empowerment of staff and personnel
Effective and equitable service delivery to all communities
Community empowerment and education
Accountability to communities (Batho Pele)
Preservation and management of the environment

Our corporate values further encapsulate our ethics as portrayed below:

Values

- To restore human dignity through access to clean water and sanitation.
- To reduce poverty through provision of water, sanitation and hygiene education.
- To practice open, honest and clear communication with all stakeholders.
- To improve the health and well-being of the people of Maluti-a-Phofung area.
- To involve local people, local government and national government in the building, decision-making and other ongoing management of the water and sanitation programmes.
- To be open and responsive to the needs of Maluti-a-Phofung Municipality while fulfilling the fiduciary responsibilities of MAP Water.
- To promote conservation and preservation of water resources through quality management systems.
- To celebrate successes in achieving results that is attributable to professionalism and innovation.
- To create a nurturing culture of accountability, responsibility and transparency where employees respect, support and value each other in a high performing environment.
- To ensure the sustainability of water supplies, finance and skills required for the ongoing operations and maintenance.
- To create a people motivating environment through diversity management.

SECTION 2

Strategic Objectives

MAP Water is committed to leveraging strengths and opportunities and proactively addressing challenges and threats to achieve its mission and vision in a manner that is consistent with its values. In support of this commitment, MAP Water has identified the six strategic focus areas to guide its efforts:

Strategy 1:

- **Transfer Process Management To Ensure Accessibility**

Partner with Parent municipality and local organisations and suppliers towards providing all households close access to water and access to decent sanitation by 2014, ensuring the longevity of these services. The focus of this target is the rural areas where the lack of service is the most.

Strategy 2:

- **Financial Sustainability**

A budget and business plan that is effective and aligned to the needs of stakeholders including rural areas in ensuring that service delivery is addressed.

Strategy 3:

- **Operations Management**

Ensure all future water supply and sanitation projects supported by the MAP Water address the issues of water depletion and contamination through appropriate integrated water resource management.

Strategy 4:

- **Customer Relationship Management**

MAP Water values its customers and will continue to ensure it delivers high quality services as per the entity's customer charter bills on its work

Strategy 5:

- **Revenue Management**

Develop innovative approaches and new sources of funding to increase annual revenues / income to R 150 million by 2015 in order to support municipal programme activities in the provision of water and sanitation services.

Strategy 6:

- **Human Resources, Skills Transfer, BEE and LED**

Increase the number of stakeholders using the MAP Water's services through local and National partnerships and alliances. MAP Water does not underestimate the implications of the growth envisaged within this strategy. Additional resources will be required for staff to continue their high standards of services. MAP Water will therefore strengthen its project / programme management, communications and organizational framework to ensure it can achieve these ambitious goals.

SECTION 3

Chairperson's Foreword

My tenure as chairperson at MAP water started in May 2015, when I was appointed and took over as chairperson from Mr N Mokhesi, who remains member of the board.

This Annual Report for the period 1 July 2015-30 June 2015, has incorporated the performance of the board in line with its mandate to deliver water & sanitation services on behalf of the MAP Municipality.

In 10 years of Existence, MAP water has been servicing the areas of Maluti-a-Phofung even when faced by socio and economic challenges. The entity met its commitment by supplying adequate and sustainable water & sanitation to the residents of Maluti-a-Phofung.

From the organisational point of view, the board performed all its functions as expected of it, even if it was under pressure to perform more in depth oversight due to the number of board members in the entity operated with only two members for almost 9 months of the financial year, until the new/ additional board members were appointed by Council in its sitting on the 19th March 2015.

As the board we are committed to the highest standard of corporate governance. This is done as part of our ongoing decision making process. By embedding strong governance into our routine processes, we are doing our utmost best to secure the future wellbeing of the entity.

The entity has performed relatively well given the various challenges it is faced with during the financial year under review, however I am delighted to report that there has been certain positive activities that took place. The Corporate Governance practices of the entity are reviewed and improvements effected periodically, where deemed necessary.

A special word of appreciation goes to the previous, chairperson Mr N Mokhesi, CFO & Acting CEO Me Mpolai Khiba, who in the year under review has concentrated on the delivery of service and implementing high performance and governance standards.

Lastly I take this opportunity to express my gratitude to the Board leadership and the support from all the staff at MAP Water for the work well done.

I also wish to thank the Executive team for their commitment and efficient management in endeavouring to deliver quality services to the residents of Maluti-a-Phofung

Mudau Netshivhodza
Board Chairperson

SECTION 4

Chief Executive Officer Foreword

Draft Annual report of Map Water has been developed in line with the new directive regarding the format and content of National Treasury (NT circular no.63) It is submitted in compliance with various pieces of Legislation, such as section 46 of the Local Government: Municipal systems Act no.32 of 2000 and sections 121 and 127(2) of Municipal Finance Management Act No. 56 of 2003.

The entity is striving to improve its administrative and governance standards, following a long period of vacant post on the Executives it is pleased to report that entity has appointed, Chief Financial officer (01 December 2014), Executive Manager Corporate Services (01 October 2014) and Executive Manager Operations (01 January 2015). The position of Chief Executive Officer is currently vacant and is in the recruitment and selection process. Critical vacancies are continuously being filled according to need.

The stabilisation that the above, appointments has brought is vital in ensuring a well-run administration and the new executive management is committed to ensure that our Local communities receive the quality services which they deserve.

Map Water has received an unqualified audit opinion which was highlighted a concerted effort however the entity was facing the following challenges during the financial year:

- High shortage of water in some areas
- Lack of resources to maintain aged infrastructure for water and sanitation
- Lack of funding to operate efficiently
- Aged fleet
- None payment of creditor

The entity remains in a strong solvency position with liabilities exceeding assets by R148, 988,016 as at June 2014 which is due to the debt owed to Department of Water affairs which this debt emanates long even before the inception of the entity. 2014/2015 was a tough year for the entity which we (management) managed to bring to the attention of the parent municipality of the cash flow problems experience by the entity due to non-payment of invoice by the parent municipality. The entity will continue to pursue these financial problems with the parent municipality and also to ensure that they are revenue enhancement projects which will let to improved cash flow.

The entity continues to perform exceedingly well in relation to provision of water and sanitation despite the challenges which the entity was facing during the financial year. There are still areas where there is room for improvement there always are for an organisation committed to exceeding in its own performance. The entity will continue to address those areas and others to ensure that we build the best service for MAP communities

Lastly I take this opportunity to express my gratitude to the Bod, Parent municipality for the leadership provided and the support from all staff at Map Water for the good results accomplished. I also wish to

thank Management and Executive for their commitment and efficient management in endeavouring to deliver a quality service to the residents of Maluti-a-Phofung.

The entity has obtained an unqualified audit opinion on its annual financial statement for 2013/2014 financial year and has implemented an Audit Action plan that is geared towards obtaining an improved audit outcome for the year under review 2014-2015.

CHAPTER 2



GOVERNANCE

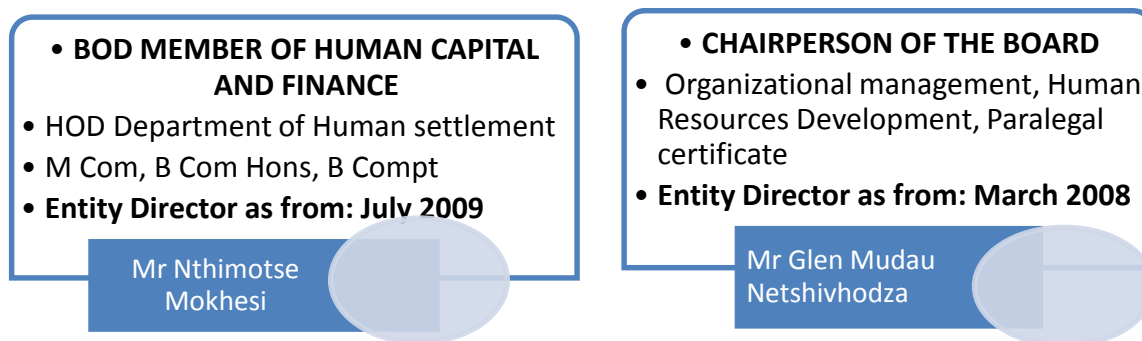
SECTION 1

Board of Directors

Map has a unitary Board, which consist of executives and non-executive directors. The Board is chaired by a non-executive director, Mr Nthimotse Mokhesi and board member Mr. Netshidvhiza Mudua. The Boards was functioning with two members from July 2014 till 19 March 2015. The parent municipality then appointed other three non-executive members on which the chairperson is now Mr. Netshivhoza Mudua. The Boards meets regularly (at least quarterly) and retain full control over the entity. The Board remains accountable to Maluti-a-Phofung Municipality, the sole shareholder and to its stakeholders, the community of Maluti-a-Phofung.

The Board and Executive ensure that there is full material compliance with all relevant legislation. The entity did not have a company secretary whose role is to ensure compliance with good corporate governance practices and with providing guidance to the directors on corporate governance principles and applicable legislation.

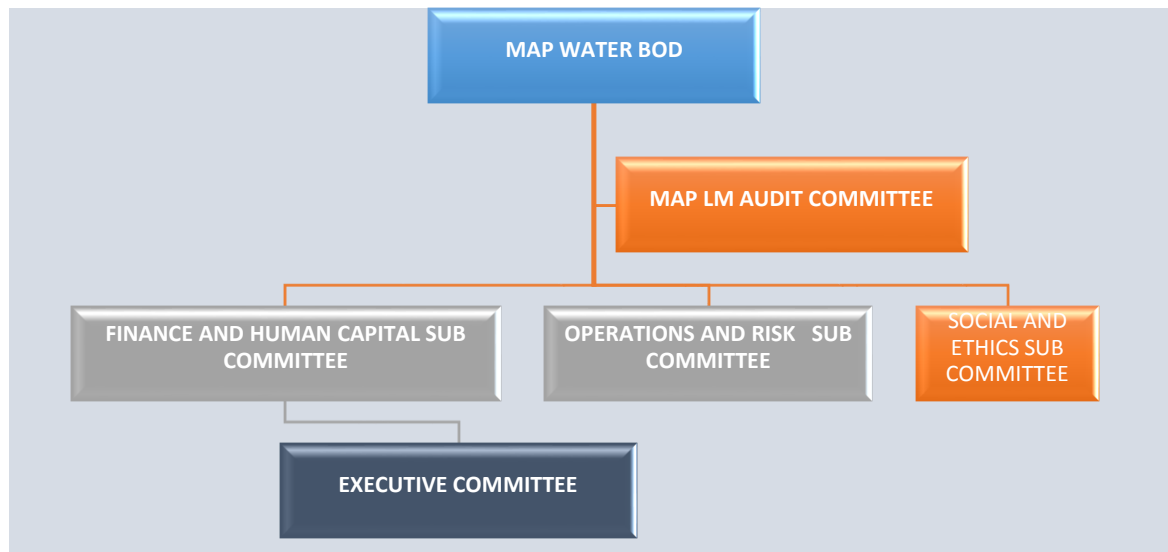
Currently the Board has five non-executive directors and three executive directors making a total compliment of eight.





SECTION 2

Board Committees



The Board has five standing Committees, each of which is chaired by a non-executive director

- Human Capital and Finance sub Committee –Chaired by: Mrs Bongani Mthombeni -Moller
- Operations and risk subcommittee- Chaired by : Mr France Mokoena
- Social and Ethics Committee- Chaired by: Ms Refiloe Mofokeng
- Risk committee
- Audit Committee (Shared with Parent Municipality)

The Human Capital and finance sub-committee comprises of the following directors:

- Bongani Mthombeni- Moller (Chairperson)
- Nthimotse Mokhesi (Member)
- Mpolai Khiba (Executive)
- Mannini Skefu (Executive)
- Jabu Malungane (Executive)

The purpose of this committee is to advise the Board on human resource issues (Policies, remuneration, benefits contribution etc.) and to present the financial status of the entity.

Operations and Risk subcommittee comprises of the following directors:

- France Mokoena (Chairperson)
- Mpolai Khiba (Executive)
- Mannini Skefu (Executive)
- Jabu Malungane (Executive)

The purpose of this subcommittee is to ensure service delivery issues are addressed.

The Social and Ethics subcommittee comprises of the following directors:

- Refiloe Mofokeng (Chairperson)
- Mpolai Khiba (Executive)
- Mannini Skefu (Executive)
- Jabu Malungane (Executive)

The committee monitors the Company's activities, regarding to any relevant legislation, other legal requirements or prevailing codes of best practices, with regard to matters relating to social and economic development, corporate citizens, environmental and labour matters.

Risk Committee comprises of the following directors:

- Bandile Mbange (Chairperson)
- Mpolai Khiba (Executive)
- Mannini Skefu (Executive)
- Jabu Malungane (Executive)
- Norman Alexandra (Human Resource Manager)
- Poello Katsi (Standing Invitee)
- Mpho Mabena (Standing Invitee)
- Lefa Dlamini(Standing Invitee)

The risk Committee has the task of overseeing the quality, integrity and reliability of the company's risk management function. It reviews and assesses the integrity and quality of risk and ensures that risk policies and strategies are effectively managed.

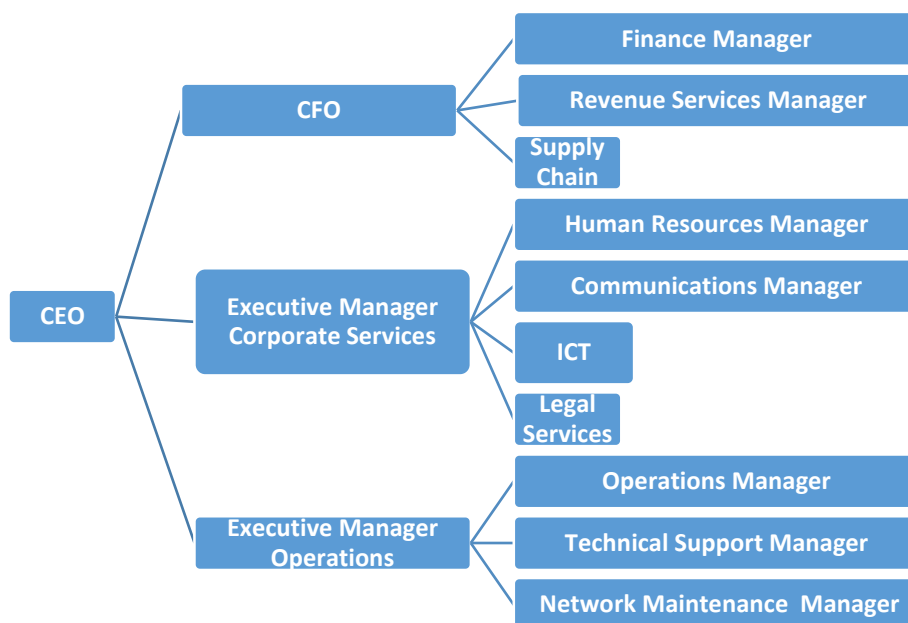
The Audit Committee comprises of the following directors:

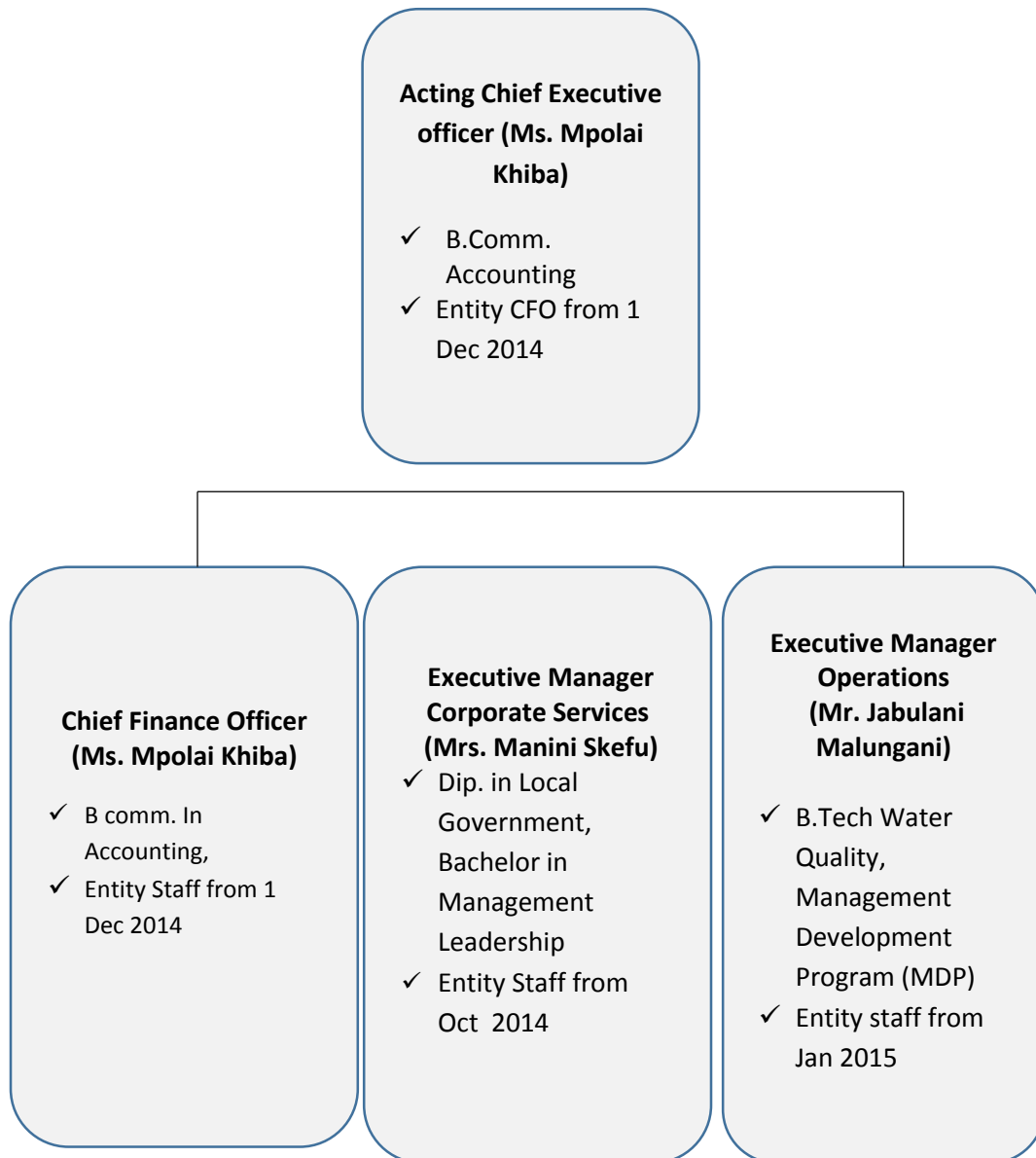
- Gauta Ntsala (Chairperson but resigned)
- Bandile Mbange (Member)
- Siyakhula Simelane CA(SA)

The entity has a shared audit committee with its parent municipality the role of the Audit Committee is to assist the Board by performing an objective and independent review of the functioning of the organisation's finance and accounting control mechanisms. During the year under review only one meeting was held because there was no one performing the function of internal audit. The entity could not afford to outsource this function due to cash flow problems experienced by the entity, however the entity has decided to establish the unit on internal audit and recruitment processes are in progress.

Management

The day to day operations and management at MaP Water are the responsibility of the Management, consisting of the Chief Executive Officer, the departmental executives and managers.





Management



Chief Finance Officer

M Khiba

B.Com in Accounting

Entity Staff from December 2014



Executive Manager Operations

Mr. CJ Malungani

B.Tech Water Quality

Management Development
Program (MDP)

Entity Staff from April 2007.



Executive Manager Corporate Services

M.D Skefu

Dip. in Local Government

Bachelor in Management
Leadership

Entity Staff from October 2014



Manager: Revenue Services

Mr. TC Mokwena

B.Com Accounting

Credit Management certificate

Entity Staff July 2008



Manager: Finance

Mr. PE Katsi

B.Com Hons in accounting
Financial Management(UNISA)

MBA

Entity Staff from November 2010.



Manager: Supply Chain

Mr. SP Lephuthing

B.Com Accounting

Programme in Public
Procurement and Supply
Management Advance Project
Management

Entity Staff from September
2011.



Manager: Operations

Mr. NAA Emmenes

National Diploma in Civil
engineering (Professional
Technologist)

Entity Staff from 2005



Mngr: Network Maintenance

Ms. HV Gamede

B.Tech Civil Eng;(Water Eng)

Entity Staff from September 2011.



Manager: Technical Support

Mr. MJ Phele

N.Dip Analytical Chemistry

B.Tech WChemistry (VUT)

Entity Staff from January 2015.



Manager: IT

Mr. LA Dlamini

B.Sc Applied Computer Science

Entity Staff from June 2013.



**Mngr: Communications and
Admin**

Ms. M Mabena

MBA

Diploma Marketing

Programme in Management
(PMD)

Entity Staff July 2008



Manager: HR

Mr. N Alexander

NQF 6 Skills Development
Program in Grievance
Procedures

Short Course Supervise
Employees

Entity Staff March 2015



Coordinator: Risk compliance

*Mr. T.H Mosia

Bachelor of Commerce

Primary Teachers Diploma

Entity Staff July 2014

SECTION 3

Risk Management Function

The entity continues to show good progress in embedding risk management process in its operations and enhancing the understanding of risk management in its strategy. Risk assessment workshops were conducted; a Risk Register and an organisation wide Risk Assessment report were compiled. The report and the strategy were submitted to the Risk Committee for consideration. The following strategy and draft policies were developed during the 2014/2015:

- Fraud prevention plan/strategy
- Draft risk management policy
- Fraud risk management policy

The entity held Risk meeting during the financial year under review.

SECTION 4

Internal Audit Function

The internal audit function of the entity was outsourced to Ernest and Young. The entity did not have internal audit unit and the entity could not afford to extend this contract, therefore from 2014/2015 no activities were done on internal audit.

The purpose of internal audit unit is to evaluate the adequacy and effectiveness of the internal control system, in assessing the adequacy, efficiency and effectiveness of controls

CHAPTER 3



SERVICE DELIVERY PERFORMANCE

SECTION 1

Operations

Fika Patso water purification plant

At this purification plant +- 40ML/d is distributed into the system and serves 85% of all consumers of QwaQwa and equals 75 000 households. The water complies with SANS 241:2006 which is in accordance with the Blue Drop system (BDS) requirements. The entity is still waiting for the final results from DWS. The assessments have been conducted and the Entity has submitted all the requirements and still awaiting the results.

Makwane water purification plant

At this purification plant +-5ML/d is distributed into the system and serves 15% of all consumer in Qwaqwa and equal +-15 000 households, and the current demand is more than 5ML /day and that will be addressed by upgrading of the plant which will be completed in February 2016. The water at this system also comply with SANS 241:2006 which is in accordance with the Blue Drop system (BDS) requirements. The entity is still waiting for the final results from DWS. The assessments have been conducted and the Entity has submitted all the requirements and still awaiting the results.

Wilge water purification

At this purification plant 12ML/d is distributed into the Greater Harrismith area and serves consumer +- 10 000 house hold. The water at this system also complies with SANS 241:2006 which is in accordance with the Blue Drop system (BDS) requirements. The entity is still waiting for the final results from DWS. The assessments have been conducted and the Entity has submitted all the requirements and still awaiting the results.

Dr Limpho Letsela (Sterkfontein) water purification plant

This system was registered and starts operating in February 2015, and the first phase was designed to purify 10ML/d which will supplement the Fika Patso system by 6Mld. When all construction work at the plant is completed the plant will be able to purify 10 ML/d. At this stage 4ML is supply to Tshiame and serves 5000 households. From February 2015 the entity implemented the BDS system to comply with the SANS 241:2006.

Waste water treatment works

In Qwaqwa entity operate four waste water treatment plants namely Phuthaditjhaba (16,7MI), Elands (4MI), Makwane (0.75MI) and Moeding (0.75MI).

Phuthaditjhaba plant was designed in early 1970s and due to the old processes at the plant it is impossible that effluent can comply with the required standard. Although through good operating practices and regular maintaining of assets the entity achieved a 76% GDS rating at the latest assessment. The challenge is to improve the GDS rating to comply with special standards.

Eland's wastewater plant is a newly designed plant and a latest assessment entity achieved 56% in GDS rating. To improve the compliance it is planned to construct the drying bed.

Makwane wastewater is complying with GDS standard and functioning well.

In Harrismith entity operate three wastewater treatment plants namely Wilge (6MI), Tshiame (4MI), Kestell (0.75MI).

Wilge wastewater is an old system but upgrading of the plant is currently under construction which will be completed in April 2016. At the completion the entity will be able to comply with the special standards and will strive to achieve a GDS rating.

Tshiame wastewater plant is newly design plant and latest assessment achieved 65% in GDS rating. To improve the compliance it is planned to construct the drying bed.

Kestell wastewater is functioning totally under standard and a technical report was compiled to build a new wastewater treatment works to comply with DWS standard.

To summarize all wastewater plants in entity jurisdiction achieve 60% GDS compliance at the latest assessment. When all construction work at some of the wastewater treatment is completed the entity will be able through good scientific practise to improve the GDS rating with 10%.

WATER CONSERVATION AND WATER DEMAND MANAGEMENT STR-ATEGY

The key priority for the entity is the funding of water demand strategies (WDS's) to enable planned programmes to be implemented to reduce the demand for and wastage of, water across MAP jurisdiction. The main programmes and projects in this regard include:

- The water leaks repair programme
- The pressure management programme
- The treated effluent reuse programme
- Continued education and awareness campaigns
- The promotion of rainwater harvesting

In this regard some of the MAP's key water conservation efforts in 2014/2015 included the following:

- Major and minor pressure management projects that sustainable reduced system water losses, pipe burst and internal leaks.

1. BULK

The table below shows the dam level capacity within Maluti a Phofung Local municipality in terms of raw water availability for all the dam storages throughout the year.

Dam / Source	July 2014	August 2014	September 2014	October 2014	November 2014	December 2014	January 2015	February 2015	March 2015	April	May 2015	June 2015
Fika Patso	71.40 %	66.80 %	56.00 %	71.40 %	66.80 %	56.00 %	71.40 %	66.80 %	69.20 %	63.6 %	55.6 %	43.48 %
Metsi Matsho	90.5%	86.00 %	80.00 %	90.5%	86.00 %	80.00 %	90.5%	86.00 %	100%	90	90	90%
Wilge	80%			80%			80%		95%			
Von during	70%	70%	70	70%	70%	70	70%	70%	95%	80	75	75
Hawking	70%	70%	70	70%	70%	70	70%	70%	95%	80	75	75
Gibson	70%	70%	70	70%	70%	70	70%	70%	95%	80	75	75
Sump Cleaned	06	03	02	06	03	02	06	03	-	01	01	-
Reservoir Cleaned	02	08	01	02	08	01	02	08	07	-	01	-

2. PLANTS

a. WATER PRODUCED

Drinking water produced by Maluti a Phofung four water purification plants, two water purification plants (Makwane and Fika Patso) supply both Qwaqwa and Kestell whereas Wilge and Dr Limpho Litsela supply Greater Harrismith which include Tshiame and Intabazwe.

Water Produce from the water plants (m ³)						
Month	Makwane Water	Fika Patso Water	Wilge Water	Dr Limpho Litsela Water	Total	Comments
Jul-14	141 726	1 848 418	367 220	0	2 357 364	All plants working
Aug-14	126 392	561 400	347 550	0	1 035 342	Fika Patso bypass
Sep-14	131 412	1 603 300	349 460	0	2 084 172	Fika Patso bypass
Oct-14	121 906		394 080		515 986	Fika Patso bypass
Nov-14	127 018		413 791		540 809	Fika Patso bypass
Dec-14	144 360		382 566	85 350	526 926	Fika Patso bypass
Jan-15	127 816		427 324		555 140	All plants working
Feb-15	115 550	1 904 101	414 937	82 231	2 516 819	All plants working
Mar-15	118 385	1 914 149	386 218	168 502	2 587 254	All plants working
Apr-15	113 568	2 006 539	416 736	108 878	2 645 721	All plants working
May-15	142 468	1 623 636	442 105	128 531	2 336 740	All plants working
Jun-15	70 725	2 471 569	409 805	136 350	3 088 449	Fika Patso bypass

Dr Limpho Litsela Water Treatment Plant started to be in full operations from February 2015 hence erratic pumping between July 2014 and January 2015.

b. WATER PLANTS

The following table illustrate major issues experienced at the different plants.

	Plant	Incident/ Problem	Action	Result
	Fika Patso	Increased turbidity during rains.	Project is in construction phase for the upgrade of the filters.	Improve quality to consumers
	Makwane water	High Water demand in the areas of supply	Communicated to consumers and councilors to save water. Water balancing program established.	More sustainable water supply in both quality and quantity.
	Makwane water	Capacity of the plant is insufficient to meet demand.	Upgrading of this plant is underway.	The upgrade of this plant to increase the capacity of 10 ML/D is underway.
	Wilge Water	Plant optimization of processes of the plant is completed	Monitoring and optimising of the new processes at plant is critical to ensure that water quality comply with SANS 241.	The upgrade of this plant had increased the capacity of the plant which will ensure that the sustainability of uninterrupted water supply will be increased.

	Sterkfontein water	We experienced water-runoff from the experienced in December 2015 and turbidity rose above the spec	Laboratory managed to control in time	Improved turbidity to compliance standard.
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C. WASTE WATER PLANTS

The following table illustrate issues experienced at the different plants

	Plant	Incident/ Problem	Action	Result
	Harrismith (Wilge) waste water	Quality output is a problematic	The upgrading of this plant is underway. Attending monthly site meetings with the design team and consultants for the updates and progress monitoring	The project is now behind schedule.
	Phuthaditjhaba waste water	Nutrients removal in unsatisfactory conditions and is cause noncompliance in the rest of the system	Refurbishment of the screens and implementation and monitoring of best practice to optimise processes is a priority	Better compliance with standards
	Tshiame waste water	Sludge lagoon are not correctly designed and causes sludge build up Non functionality of plant due to electricity shortage in Tshiame area in December 2014	Manual removed the sludge with excavators and trucks Generator sent for repairs to service provider to allow the plant to have electricity. Plant currently bypassed.	Better compliance with standards Generator still at the repairs once completed plant will be able to function.

Kestell waste water	No provision for sludge handling and poor nutrient removal with bio-filter process	Technical report drawn up to secure funds from MIG	Better compliance with standards
Makwane waste water	Plant is well maintained and optimised	Monitor processes	Better compliance with standards

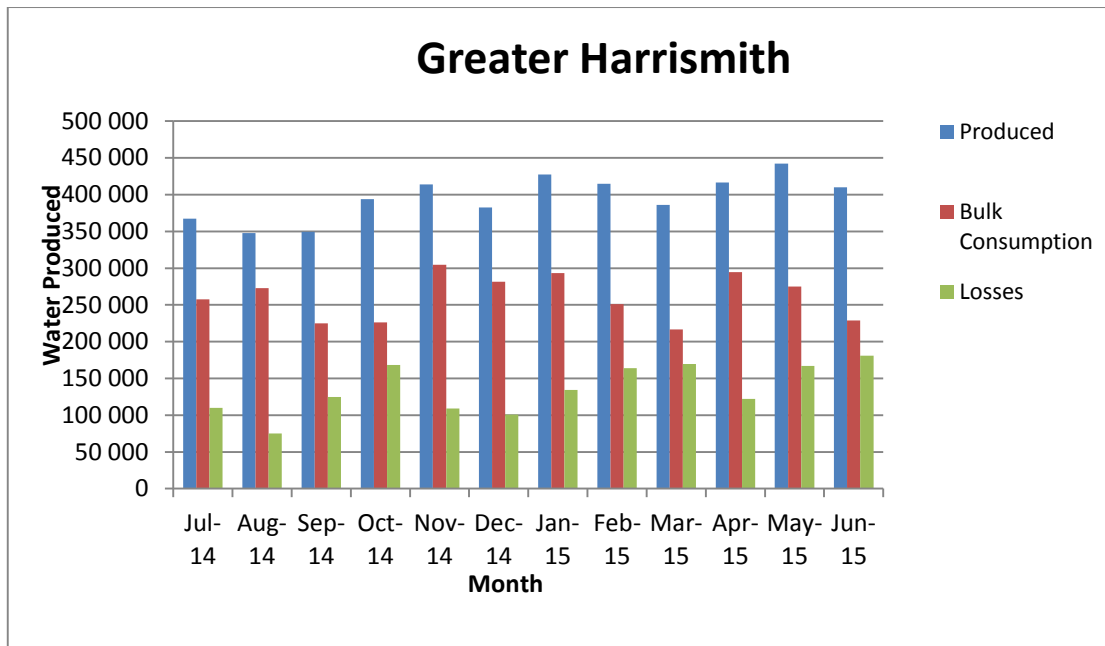
UNACCOUNTED FOR WATER

Wilge Plant

The average bulk losses in Harrismith for the year of 2014/2015 were 18 % and the losses are mainly caused by leakages, burst pipes and cleaning of filters in the operational process.

Water Demand and Conservation Management

Month	Produced	Bulk Consumption	Losses
Jul-14	367 220	257 351	109 869
Aug-14	347 550	272 646	74 904
Sep-14	349 460	224 908	124 552
Oct-14	394 080	226 002	168 078
Nov-14	413 791	304 615	109 176
Dec-14	382 566	281 711	100 855
Jan-15	427 324	293 163	134 161
Feb-15	414 937	251 172	163 765
Mar-15	386 218	216 737	169 481
Apr-15	416 736	294 600	122 136
May-15	442 105	275 015	167 090
Jun-15	409 805	228 790	181 015

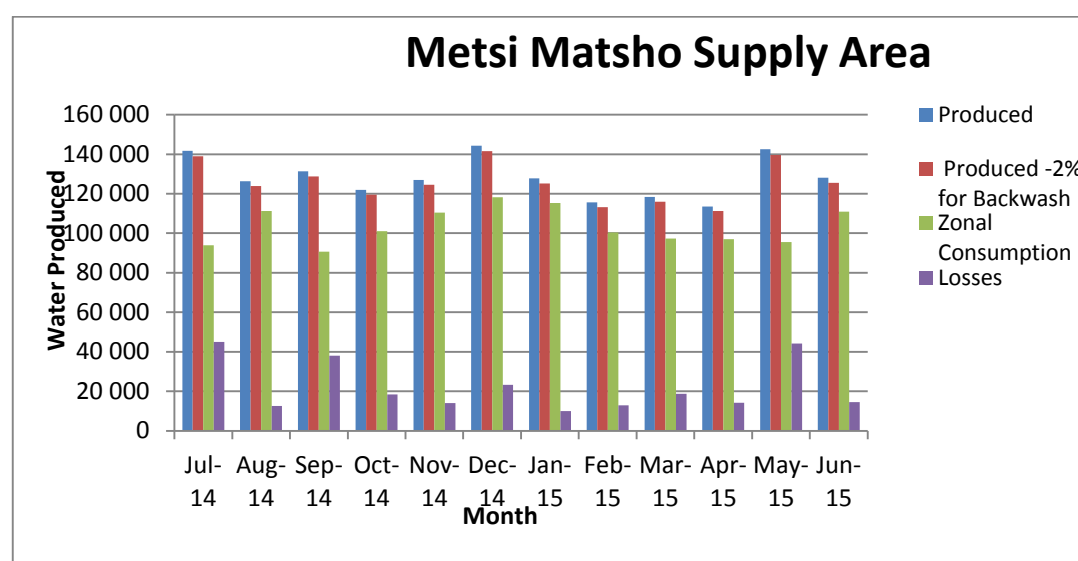


Makwane Water Treatment Plant

The Makwane Water Treatment Plant supply water to Makwane, Comet, Pereng, Tebang, Lusaka, Matshegeng and Phahameng. The water demand is high at this areas and there is currently an upgrade of the plant which also cater the increasing of the capacity. The losses are mainly to pipe leakages and burst pipe.

Month	Produced	Produced -2% for Backwash	Zonal Consumption	Losses
Jul-14	141 726	138 891	93 930	44 961
Aug-14	126 392	123 864	111 194	12 670
Sep-14	131 412	128 784	90 700	38 084
Oct-14	121 906	119 468	100 990	18 478
Nov-14	127 018	124 478	110 402	14 076
Dec-14	144 360	141 473	118 238	23 234
Jan-15	127 816	125 260	115 320	9 940
Feb-15	115 550	113 239	100 360	12 879
Mar-15	118 385	116 017	97 286	18 731
Apr-15	113 568	111 297	97 067	14 230
May-15	142 468	139 619	95 469	44 150
Jun-15	128 018	125 458	110 880	14 578

The bulk losses of the Makwane system.



NETWORK MAINTENANCE

SUMMARY OF JOBS:

The table below shows work queries, job card attended in the financial year of 2014/2015 by the Networks maintenance team.

Total number of Logged Queries:	Total number of Scheduled Job Cards:	Total number of Attended Job Cards:	Total number of Non-attended/ Backlog:	Two Zones with the Highest no. of Queries:	What are the Challenges within the said Zones:	What are the Solutions/Corrections regarding Challenges:
5651	5651	5410	241	Zone 3, 4, 5,6&8	Old Reticulation & Illegal Connections	Replace Aged Pipe lines & review tariff

DAILY REPAIR STATISTICS:

Description:	Total Jobs:	Within 24Hrs:	Within 48Hrs:	After 48Hrs:	Non attend ed:	What are the reasons:
Leakages (Water pipe Lines)	2849	1441	941	312	144	Work load, Fleet challenges
Leakages (Reticulation Valves)	43	20	17	4	0	
Leakages (Damaged Public Taps)	265	129	85	49	0	
Leakages (Water Meters)	796	332	172	97	8	
Pollution (Sewer Line Blockages)	1635	680	359	197	86	4 None attended due to Work Load and TLB was required
Projects (New Water Connections)	31	10	6	1		
Projects (New Sewer Connections)	2	1	1	0		
Projects (Install/Relocate water Mtr.)	0	0	0	0		
Projects (General Maintenance)	289	105	69	37		
TOTALS:	5910	2718	1650	697	238	

STATS FOR HARRISMITH:

Job description	Total	Repaired within 24hrs	Repaired within 48 hrs.	Repaired after 48 hrs.	None attended	Reasons
Water pipes leakages	833	433	268	113	86	None attended were owner responsibility
Valves Repaired	11	5	4	2	1	
Public taps	24	15	6	5	1	
New Water Connections	15	8	6	1		
New Sewer Connection	5	3	2	1		Work load
Water Meter Replaced	151	46	9	85	11	
Water Meter Repaired	909	471	421	124	34	
Sewer Blockages (Rodding)	3606	1996	1316	274	42	None attended were owner responsibility
General Maintenance	321	148	91	36	4	
Water pipes Mainline	1	1				
TOTAL	5878	3126	2123	641	179	

The table shows the quantity specifics of the new developments and repairs conducted by the Networks team

WATER AND SEWER TANKER SERVICES

AREA	NONE DOMESTIC LOADS	DOMESTIC LOADS	CURRENT BACKLOG
WATER			
Qwa-Qwa	263	4175	-
Kestell	12	2545	-
Harrismith	131	4627	-
Total	288	11347	-
SEWAGE			
Qwa-Qwa	560	400	-
Kestell	195	228	-
Harrismith	16	48	-
Total	771	676	-

SECTION 2

Financial Performance

This review sets out highlights of the entity's financial performance for the past year (2014/2015). Full details appear on the annual financial statement. The entity has obtained an unqualified audit opinion on its annual financial statement for 2013/2014 financial year and has implemented an audit action plan that is geared towards obtaining an improved audit outcome for the year under review 2014/2015.

The financial viability remains one of the major challenges faced by the entity. Main challenges impacting on the financial viability of the entity are:

- Non- payments of invoices by the parent municipality
- Low revenue growth due to non- payment of accounts by customers
- Distribution losses (mainly due to lack of bulk meter in most of our reservoirs)
- In accurate billing in some accounts

REVENUE

The entity revenue amounts to R128, 768,421.00 for the year, an increase of 14% over the previous year (2014: R111, 328,479). Service charges stem from both the sale of water and sanitation charges. Government grants and subsidies includes equitable share which the parent municipality allocates to the entity for providing free basic water to indigent customers and grant received from Department of Water Affairs for the achievement of Blue drop award.

Statement of Financial Performance		
Description	2014/2015	2013/20104
REVENUE		
Service Charges	39,317,252	30,469,062
Government Grant & subsidies	88,500,000	80,000,000
Other Income	951,169	859,417
TOTAL REVENUE	128,768,421	111,328,479
EXPENDITURE		
Personnel	80,966,451	75,538,467
Remuneration of Directors	99,128	40,000
Depreciation and amortisation	3,004,555	2,821,270
Impairment Loss	22,191	-
Finance Costs	53,851	207,337
Debt imparment	14,212,056	9,567,537
Repairs and maintenance	5,716,093	14,163,031
Bulk Purchases	4,926,708	25,772,917
Contracted Services	6,014,803	6,506,946
General Expenses	17,725,364	11,671,488
TOTAL EXPENSES	132,741,200	146,288,993
Surplus (deficit) for the year	(3,972,779)	(34,960,514)

DEFICIT

The entity incurred a deficit of R3, 9 million for the year, compared to R34.9 million deficit for the 2013/2014 financial year. This was a results to none payment of accounts by customers, however the entity still continues to implement the credit control policy in consolidation with the parent municipality to improve the current situation.

EXPENDITURE

The entity overall expenditure amounts to R132, 741,200 for the year, a decrease of 10% over the previous year (2014: R146, 288,993). The decrease is mainly on the general expenditure due to cash flow problems which the entity experienced during the financial year under review.

The overall summarised operating results for the entity in comparison with the approved budget are shown below:

Details	Budget 2014/2015	Actuals for 2014/2015	VARIANCE
REVENUE			
TOTAL OPERATING REVENUE	145,121,250	128,768,421	16,352,829
EXPENDITURE			
TOTAL OPERATING EXPENDITURE	145,121,250	132,741,199	12,380,051
		0.91	

The entity revenue is 11% low than budgeted which is mainly due to low revenue collection from the customers.

The operating expenditure is 9% below the budgeted expenditure due to cash flow problems which was experienced by the entity during the financial year under review.

CASH FLOW

Service charges are generated from sale of water and sanitation services. In addition the entity receives grant funding from parent municipality to assist with the free basic water

The following is a brief history of the cash balances swept at the end of each financial year:

CASH FLOW STATEMENT				
	2015	2014		
Cash flows from operating activities	127,817,252	97,162,889	30,654,363	24%
Cash flows from investing activities	(645,835)	(4,361,275)	3,715,440	-575%
cash flows from financing activities	(546,912)	(2,436,271)	1,889,359	-345%

Cash flows from operating activities

The Entity's sources of liquidity are cash flows from operating activities. Cash flows from operating activities increased from R127, 817,252 million to R97, 162,899 million.

Cash flows from investing activities

Cash flows from investing activities relate to purchases of property, plant and equipment, proceeds from sale of property, plant and equipment and proceeds from sale of financial assets.

Cash flows from financing activities

The cash flows from financing activities are primarily a finance costs through the bank charges.

SUPPLY CHAIN MANAGEMENT

All the bid committees as per Supply Chain Management Policy and SCM Regulation have been established by the Chief Executive Officer, and convened regularly to perform their functions. This addresses the MFMA requirements as stated in Section 112.

Supply chain reports are submitted on a monthly and quarterly basis to the parent municipality and Board. The following committees administer procurement within the entity:

- Bid Specification Committee
- Bid Evaluation Committee
- Bid Adjudication Committee

The following bids were awarded during the year under review:

SUPPLY CHAIN MANAGEMENT ANNUAL REPORT

Bids for the transaction value above R200 000

Number	Month	Date Advertised	Project Description	Bid Number	Bidder Name / Contractor	Bids received	Status and Comments	Department
1	July	24 Jul 2015 - EFS Issue	Provision of Security Servicer	MAPW 01/2014/2015	Bid Cancelled			
		31-Jul-15	Erratum- Provision of Security Servicer	MAPW 01/2014/2015	Cancellation of Bid MAPW 01/2014/2015			
2	January	15- Jan- 2015 EFS ISSUE 16- Jan- 2015 -Harrismith Chronicle	Supply and Delivery of Protective Clothing	MAPW 02/2014/2016			Awarded	SCM

Bids above R30 000 but below R200 000

1	July	17-Jul-14	Supply and Delivery of Saver Taps	MAPW / FQ 01 /2014/15	UTG SERVICES	9	Delivered	Main Stores
2	July	17-Jul-14	Supply and Delivery of Sewer Rods	MAPW / FQ 02 /2014/15	NATAL POWER TOOLS	8	Delivered	Main Stores
3	July	17-Jul-14	Supply and Delivery of QwaQwa Stores material	MAPW / FQ 03/2014/15	ABAPHUMELELI TRADING 4	10	Delivered	Main Stores
4	July	11-Jul-14	Supply and Delivery of Kent meters	MAPW / FQ 04/2014/15	ELSTER KENT METERING (Pty) Ltd	9	Delivered	Network Maintenance
5	July	11-Jul-14	Supply and Delivery of Harrismith Stores material	MAPW / FQ 05/2014/15	MMINATHOKO TRADING 123	7	Delivered	Harrismith Stores
6	Aug	25-Aug-14	Supply and Delivery of UPVC Pipes	MAPW / FQ 06/2014/15	Cancelled			
7	Sept	04-Sep-14	Supply and Delivery of Cartridges	MAPW / FQ 07/2014/15	UTG SERVICES	8	Delivered	Main Stores
8	FEB-15	09 th –Feb 2015	Supply and Delivery of AQ Coupling	MAPW/FQ08/2014/15	ITU-AME GENERAL CC		Awarded	R32 565.00
9	FEB-15	09 th -Feb 2015	Supply and Delivery of AQ Couplings-AQ205 &AQ204	MAPW/FQ09 /2014/15	ITU-AMEE GENERAL TRADING CC		Awarded	R17 310,00
	FEB-15	09 th Feb 2015	Supply and Delivery of AQ Couplings-AQ203 &AQ013	MAPW/FQ10 /2014/15	CAPMOR MARKETING AND TRADING ENTERPRISE		Awarded	R15 120.00

EXURE A- PROCUREMENT REPORT ON PURCHASE ORDERS

Total purchase orders in twelve months are outlined in the following table

Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
R 2 270 790,52	R 1 618 434,16	R 1 407 608,59	R 236 689.78	R 77 748.00	-	R 2 008 459,18	R 1 769 624.00	R 3 877 23.00	R 98 209,00	R 1 544 387,88	R 654 613,01

Total purchases for the year R 12 074 287, 09

Deviations and Emergency Orders

Monthly values for deviation are outlined underneath.

Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
R 21 349.92	R 64 836.88	R 6 429.60	R 236 689.78	R 77 748.00	-	R 135 057,04	R 18 235,44	R 27 682.62	R 98 209,00	R 1 544 387,88	R 654 613,01

Total Deviations for the year is R2 885 239, 17

SECTION 3

Capital Projects

MAP MUNICIPALITY PROJECTS

Project Description	Completion Date	Current Progress	Remarks
Wilge Waste Water Treatment Works Phase 1	Aug 2015	72%	Contractor is currently off site due to non-payment of progress certificates since 12 June 2015.
Kestell/ Tlholong: Upgrading of water networks system and a new 2 ML ground storage reservoir	Oct 2014	88%	Behind Schedule, no progress on site for the past four months. Contractor is still off site.
New 4 ML ground storage reservoir for Makholokweng area	Aug 2014	94%	Behind Schedule, reservoir structure 100% complete only pipe work and chambers still outstanding. Contractor is still offsite.
Upgrading of Fika Patso water treatment works	July 2015	81%	On Schedule, brick work is 95% complete and currently busy with finishing
Upgrading of Makwane Water Treatment Works to 10ML/D (Civil works)	August 2015	77%	On Schedule, Earthworks have been completed for all the structures. Inlet is at 58%, Filter 75%, Clear water tank 99%.
Upgrading of Metsi Matsho pumping line to Makwane water	Oct 2014	98%	Currently busy with finishing of the chambers and river crossing. Testing of the line is still outstanding and can only be done once the new inlet has been completed.
Construction of Mandela Park Sanitation Services to 650 Stands	April 2015	95%	525 new toilet structures have been completed and 2244m of 160mm pipe have been laid with 65 manholes complete.

Provision of Water Services Network Extension and Erf Connections in Qwa-qwa rural area Phase 2			
Project currently on hold due to material shortage			
Makgalaneng and Kathlehong	June 2013	75%	Behind Schedule
Phahameng, Makwane and Qholaqwe	June 2013	80%	A portion of Namahadi, Phahameng and Makwane were handed over to Map water on the 22/08/2013 the project was never completed in Qholaqwe and Mangaung.
Provision of Water Services Network Extension and Erf Connections in Qwaqwa rural area Phase 3A			
Mabolela	Sep 2015	39%	Contractor is currently off site due to non-payment since 22 May 2015.
Paballong		34%	
Provision of Water Services Network Extension and Erf Connections in Qwaqwa rural area Phase 3B			
Bolata	Feb 2016	25%	Contractor currently off site due to non-payment since 12 June 2015.
Mangaung	Feb 2016	10%	Contractor on site
Sterkfontein – Qwa-qwa Water Scheme			
Northern Bulk Storage	Oct 2014	89%	Behind schedule

Project Description	Completion Date	Current Progress	Remarks
Namahadi and Bolata elevated pressure tanks	May 2015	95%	Namahadi is about 98% complete inlet reconnection was completed 12 May 2015 as to address low pressure challenges but the system is not functional due to an electrical panel that was damaged. Bolata is 100% complete 19 June 2015.
Telemetry project	May 2014	86%	A meeting was held on the 17 June 2015, resolution was that current contract with Pelatona will be cancelled and outstanding work will be completed using quotation system.

SECTION 4

Performance against KPA

The parent municipality must ensure that the annual performance and indicators for the entity are established in Service Delivery Agreement with the municipal entity in accordance with section 87(5) (d) of the MFMA.

In line with section 87(5) (d) the municipal entity developed an annual delivery plan which reflected the objectives for the 2014/2015 financial year.

Pre-determined Objectives are provided in detailed from the tables below and portfolio of evidence is also attached on separate files which are attached with the draft annual report.

ANNUAL DELIVERY PLAN

Key Performance Area	Performance Objective	Key Performance indicators	Baseline	Progress Achieved	Challenges / Reason For Not Achieving	Evidence Submitted	Corrective measures taken to improve performance
Good Governance and public participation	Review of the entity Risk Assessment	Review and approval of the Risk Management committee charter and risk profile document on an annual basis	No Risk management policy , charter and strategy in place	100%	Not Applicable	Yes	Not Applicable
Good Governance and public participation	Compilation of a Risk register for the entity	Review and approval of Risk Register	Compliant risk register in place	40%	Department could not sit to finalize the identification processes	Yes	To coordinate the process with all departments through departmental meetings.
Good Governance and public participation	Monitoring of risk management implementation	Number of risk management reports	No. Quarterly reports submitted 04	50%	Due to RMC not sitting for the third and fourth quarter because of financial constraints experienced.	Yes	To finalize the risk workshops through departmental meetings and develop the report thereafter.

INTERNAL AUDIT

Key Performance Area	Performance Objective	Key Performance indicators	Baseline	Progress Achieved	Challenges / Reason For Not Achieving	Evidence Submitted	Corrective measures taken to improve performance
Good Governance and public participation	Factuality of the audit committee	Number of meetings held by the audit committee	4 Quarterly audit committee meeting held	Two meetings where held during the financial	Four meetings where not held because there was no official or consultant doing a	Yes minutes of those two meetings	The entity has established an internal audit unit of which the Manager will resume duties

				year under review	function of internal audit. Due to cash flow problems the entity could not afford to outsource the service	held	as from 01 September 2015 and internal auditor has resumed duty as from 01 August 2015
Good Governance and public participation	To have a functional internal audit unit	Review and approve of policy, charter and risk based plan	Review and approved charter, policy and risk based plan	The old audit charter was still in place no review took place	Not Applicable	Audit Charter as approved by Council and Council resolution	Not applicable
Good Governance and public participation	To have a functional internal audit unit	Number of reports submitted	4 Quarterly internal audit report and meetings	Only two reports where submitted	Four reports where not submitted because the entity did not have any person to resume the internal audit functions for the whole of the financial year. The contract of PWC ended on 31 October 2014.	Only two reports where submitted	The entity has established an internal audit unit of which the Manager will resume duties as from 01 September 2015 and internal auditor has resumed duty as from 01 August 2015
Good Governance and public participation	To perform oversight role and advise Board on governance process and performance management	Number of meetings held	Minimum of 4 Meetings per year	Two meetings where held during the financial year under review	Four meetings where not held because there was no official or consultant doing a function of internal audit. Due to cash flow problems the entity could not afford to outsource the service	Yes minutes of those two meetings held	The entity has established an internal audit unit of which the Manager will resume duties as from 01 September 2015 and internal auditor has resumed duty as from 01 August 2015
Good Governance and public participation	Review of the Entity Risk Assessment Profile	Review and approval of the audit committee charter and risk profile documents on an annual basis	Approved Audit Charter and risk profile	The old audit charter was still in place no review took place	None	Audit Charter as approved by Council and Council resolution	Not applicable

SERVICE DELIVERY TARGET: BUDGET & TREASURY OFFICE

key Performance Area	Performance Objective	Key Performance indicators	Baseline	Progress Achieved	Challenges / Reason For Not Achieving	Evidence Submitted	Corrective measures taken to improve performance
Municipal Financial viability and management	To achieve an unqualified Audit opinion for the 2014/15 financial year	Management responses to AG queries relating to budget and financial reporting	100% responses to AG queries during the audit	All audit findings has been reported in the Management & Audit Report have been responded to and submitted to the Office of the Auditor General	Not Applicable	yes	Action plan was developed to address those audit finding
Municipal Financial viability and management	Ensure that the tariffs of the municipality are cost reflective	Tariffs approved by Council	Water and sanitation tariffs are approved by Council	Water and sanitation tariffs where approved by council during the approval of budget	Not applicable	Yes Council resolution approving Budget and the tariffs	Not applicable
Municipal Financial viability and management	No over-expenditure on approved budget	% spent on expenditure budget	No authorised expenditure	95% of the total expenditure is spend against the budget	Not applicable	Yes on the statement of comparison on F/S	Not applicable
Municipal Financial viability and management	Submit AFS timeously (i.e. on or before 31st August	AFS submitted on or before 31st August	AFS must be submitted on the 31st August	GRAP complaint Annual Financial Statement are submitted on the 31 August 2015 with all documents as required	Not applicable	Yes	Not applicable
Municipal Financial viability and management	To compile the annual budget according to the MFMA and relevant legislation	Draft Annual 2014-15 annual budget tabled to council for consideration	2014-15 draft annual budget compiled and tabled to council by 31March 2015	The draft budget was approved on the 19 th March 2015	Not applicable	Yes Council resolution adopting the draft budget	Not Applicable

Good governance and community participation	To compile the annual budget according to the MFMA and Budget regulation and other applicable legislation	Annual budget tabled to Board and council for consideration	Annual budget be submitted 150 days before the start of the new financial year to parent municipality	The annual budget was submitted to the parent municipality on the 19 th February 2015	Not applicable	Yes	Not applicable
Municipal Financial viability and management	Review the financial management and budget related policies	Draft financial management and budget related policies submitted to Board for approval together with the annual budget	Draft financial management and budget related policies be submitted to Board	There was no review of financial and budget related policies	Not applicable	Yes	Not Applicable
Municipal Financial viability and management	compile MFMA section 88 report and submit to parent municipality by the 20th January	Mid-year and performance report compiled and submitted to Board of Directors and Parent municipality	Mid-year performance assessment be submitted to Board and parent municipality by 20 January	The mid-year performance assessment report was submitted to Board on the 19 th January 2015	Not Applicable	Yes	Not Applicable
Municipal Financial viability and management	Pay all the creditors on or before due date	Payment of creditors within 30 days	75%	Not Achieved only 65% of creditors where paid during the financial year	Creditors where not paid within 30 Days after receive of invoice due to cash flow problems experienced by the entity during the year under review	Yes creditors age analysis	The parent municipality to be all the outstanding invoices which are owed to the entity on monthly basis in order for the entity to can be able to pay its obligations on time.
Municipal Financial viability and management	Timeously pay all salaries and third parties payment relating to the salaries as per council resolution of the municipality	Salaries and wages paid by the latest 23rd of each month	Salaries to be paid on or before 23rd of every month	Salaries where paid in time for the 11 months of the financial year except for the month of April 2015	The April 2015 due to the delay in the parent municipality to transfer money to the entity due to technical problems experienced by the parent municipality	Yes (EFT from the Bank)	The parent municipality to transfer the money five working days before the pay day
Municipal Financial viability	Implement a fully functional	Fully implementation of the electronic creditors	50% fully implemented	100% fully implemented	Not Applicable	Yes	Not Applicable

and management	electronic creditors module	module					
Municipal Financial viability and management	prepare and update on a monthly basis expenditure classification register	Expenditure classification register	The register is kept but not having the full details	Register is developed which classify the expenditure e.g. Irregular and fruit less expenditure are classified	Not Applicable	Yes (Irregular and Fruitless)	Not applicable
Municipal Financial viability and management	Issue service account (water and sanitation) on a monthly basis	Number of service account issues for service charger / service rendered by the municipality (Water and sanitation accounts)	Account were send to consumers on a monthly basis	Accounts were send to consumers, however there was a challenge at the parent municipality for printing of accounts so this was partially achieved	The parent municipality had a challenge in printing of accounts for the financial year under review	Yes	The financial system was reviewed and the problem was resolved and all accounts for the all the services are now distributed by the parent municipality through post office.
Financial viability and management	Submit on monthly basis VAT 201 forms to SARS	Monthly submission of VAT returns to SARS	All returns were submitted to SARS	All SARS returns were submitted	Not Applicable	Yes	Not applicable
Financial viability and management	Submit on a monthly basis EMP 201 form to SARS	Monthly submission of PAYE / UIF / SDL returns (EMP201)	All SARS EMP 201 were submitted to SARS	All SARS returns were submitted	Not Applicable	Yes	Not applicable
Good governance and community participation	Financial reporting done in accordance with the applicable legislation (i.e. MFMA section 87)	All report as per the MFMA section 87 submitted to Accounting Officer of Parent Municipality	Monthly section 87 report be submitted to Accounting officer of parent municipality within 7 working days after the end of each month	All returns were submitted to the parent municipality except for the month of June	The entity and parent municipality experienced the technical problems with the financial system and this caused the delay in preparation and submission of monthly reports.	Yes	The parent municipality to ensure the stability in terms of financial system failures with the service provider so that this problems don't occurred
Good governance and community participation	Development of audit action plan	Audit Action plan be developed	Audit action Plan be developed in January	The action plan was developed and monitored by management	Not applicable	Yes	Not Applicable

				on a monthly basis			
Good governance and community participation	100% response to internal audit queries raised	Management / CFO response to internal audit queries	All queries were attended to.	Not achieved because the entity did not have internal audit for the year under review	There was no internal audit activities during the financial year under review	No	The entity has established an internal audit unit of which the Manager will resume duties as from 01 September 2015 and internal auditor has resumed duty as from 01 August 2015
Good governance and community participation	Submit banking details to national, provincial treasury and AGSA before the end of financial year	Banking details be submitted to national, provincial treasury and AGSA before July each year.	Banking details to all relevant stakeholders as per the MFMA section 86 be submitted	Banking details where submitted to parent municipality on the 19 th June 2015	Not applicable	Yes	Not Applicable
Good governance and community participation	Report on implementation of SCM	Quarterly report on the implementation of the SCM policy	Report on implementation of SCM not submitted to Board	All SCM reports were submitted to Board	Not applicable	Yes	Not Applicable
Financial viability and management	Water and sanitation revenue enhancement strategy	Improvement in water and sanitation revenue	75% collection of water and sanitation revenue	65% achieved	Credit control policy implementation and none accounts by the customers	Yes F/S	To develop and implement revenue enhancement strategy in consolidation with other services since billing is consolidated
Financial viability and management	Water Meters are read	All water meters are read and recorded in the financial system	80%			Yes Micro mega report	All faulty metres be replaced and the entity ensure that all customer are billed for water and sanitation on a monthly basis
Financial viability and management	Unaccounted for water	Water volumes produced vs. water volume sold (reduce water losses)	35%		The entity does not have the bulk water meter from the reservoirs which is used to calculate water	Yes	The entity to install bulk water meters on all its reservoirs to ensure the accuracy of unaccounted water

					distribution against water consumed		
Good governance and community participation	Updates the SCM suppliers database annually	Annually updates of supplier database	Update be done annually	100% achieved	Not Applicable	Updates the SCM suppliers database annually	Not Applicable

CORPORATE DEPARTMENT

Key Performance Area	Performance Objective	Key Performance indicators	Baseline	Progress Achieved	Challenges / Reason For Not Achieving	Evidence Submitted	Corrective measures taken to improve performance
Municipal Institutional development and transformation	Organizational review conducted	Develop and submit a newly/revised organogram to the CEO as well as the revision of the Job Description	Organogram reviewed and job description developed	Yes	None	Copy	Not applicable
Municipal Institutional development and transformation	The entity complies with the Employment Equity Act 1998(Act 55 of 1998)	Employment equity Plan is developed	Approved Employment Equity Plan	100%	None	Copy of EE Plan	
Municipal Institutional development and transformation	The Entity complies with the Skills Development Act 1998(Act 97 of 1998)	Skills audit conducted	Number of skills audit conducted	100%	Parent Municipality compile WSP		Register to LG Seta to do our WSP
Municipal Institutional development and transformation	Develop workplace skills plan	WSP developed and approved for submission to LG Seta	Approved WSP for submission to LG SETA	0%	None	None	Register to LG Seta to do our WSP
Municipal Institutional development and transformation	Render an effective record management system	Developed of record management system	Record management system in place	0%	Financial Constraints		Budgeted for office space and to recruitment of staff and resources

Municipal Institutional development and transformation	Develop 2014/2015 annual calendar for Board, Exco and human capital sub-committee meetings	Annual calendar developed	Annual calendar for all committees	100%	Delay of appointment of executives	BOD annual calendar attached	Appointment of executives
Good Governance and Public Participation	Documentation s for meetings are prepared and distributed as prescribed	Notices and agendas for meetings are distributed as prescribed	Number of meeting as per annual calendar and the complies in terms of distribution	70%	Board was not fully functional	Notices of meetings	Newly Appointed Board from March 2015
Good Governance and Public Participation	Dispatching of correspondence to everyone affected by Board, Exco and Management decisions/resolution and community	Organisations affected by resolution/ decision should be reached within the prescribed period	Number of Resolutions/messages distributed to the affected parties	100%	None	Resolution of Board and Management meeting	Not Applicable
Good Governance and Public Participation	Development of HR related policies	All HR related policies be developed and approved	Number of HR policies in place	100%	None	CD of Policies attached	Annual Review of policies to be conducted

HUMAN RESOURCE UNIT

Key Performance Area	Performance Objective	Key Performance indicators	Baseline	Progress Achieved	Challenges / Reason For Not Achieving	Evidence Submitted	Corrective measures taken to improve performance
Municipal Institutional development and transformation	To procedurally implement, monitor and review Performance Management cycle and report any deviation from standards and/or established measures to the immediate superior for attention in order to achieve intended outcomes.	Implement performance management system	Performance management system in place	Not achieved	Unit was not existing	No	Appointment of PMS Manager. Training for PMS personnel and Managers.
Municipal Institutional development and transformation	Staff recruitment period	Decrease recruitment process period	5 months	100%	None	Advert plus Report on staff turn-over	All critical posts where filled except the CEO which the entity decided to head hunt after re-advertisement were done without any success
Municipal Institutional development and transformation	Staff Training & Skills Development	Budget vs. actual spend on staff training	80%	80%	Finance (Cash Flow)		Apply to LG Seta for the entity to submit WSP for period 1 April 2016 to 31 March 2017
Municipal Institutional development and transformation	HIV/AIDS	Planned communication	Ad hoc	0%		No	

Municipal Institutional development and transformation	Health and Safety Management	Achieve Standards Health and Safety	NOSA 3 star rating	61% Incidence / experience 0.8	Cash Flow Poor Housekeeping Uncertified lifting and pressurized equipment. Lack of building maintenance plan and implementation. Lack of intake and exit medical reports. Lack of letter of good standing	Internal Audit Report	Developed action plan with target dates
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OPERATIONS DEPARTMENT

Key Performance Area	Performance Objective	Key Performance indicators	Baseline	Progress Achieved	Challenges / Reason For Not Achieving	Evidence Submitted	Corrective measures taken to improve performance
Service delivery and infrastructure development	Achieve blue drop status	80%	Wilge and Makwane 100% Fika Patso 80% by 2015	Monitoring and controls in place, we are waiting for the assessment by Department of Water and Sanitation	Pending assessment by Department of Water and Sanitation	Still awaiting the results/pro of of assessment	The Department to speed up the results and distribute them to the relevant entities and municipality
Service Delivery and infrastructure development	Achieve green drop status	60% for all plants	Achieve average of 80% compliance for all waste water plants by 2016	Monitoring and controls in place, we are waiting for the assessment by Department of Water and Sanitation	Pending assessment by Department of Water and Sanitation	Still awaiting the results/pro of of assessment	The Department to speed up the results and distribute them to the relevant entities and municipality

Good Governance and Public participation	Water and Waste Water quality monitoring Compliance with SANS	80%	Greater than 85%	90% compliance for Water and 60% for waste	Waste water treatment infrastructural challenge: is old and some no more reliable	Analysis program adherence and compliance	Upgrade of infrastructure and qualified process controllers
Service Delivery and infrastructure development	Maintenance of water and waste water system assets e.g. leakages, spillages and burst pipes	80%	Achieve average of 90% for all water and waste water challenges	70%	No enough teams for sewer maintenance. Old infrastructure and community dispose effluent	Proposed structure and community awareness programs	Proposed structure for networks team, awareness program to educate community and replacing of old infrastructure.
Service Delivery and infrastructure development	Identify refurbishment projects for operational compliance	Refurbishment of all Identified projects with Map Water	Annual allocation budget	70%	Cash flow	Progress reports	Improve cash flow

CUSTOMER RELATIONSHIP MANAGEMENT

Key Performance Area	Performance Objective	Key Performance indicators	Baseline	Progress Achieved	Challenges / Reason For Not Achieving	Evidence Submitted	Corrective measures taken to improve performance
Good Governance and Public participation	Routine meetings with WSA, Councilors and community Forum	Scheduled meetings	Regular meeting scheduled and facilitated				
Good Governance and Public participation	Customer Charter Available to key stakeholder	Unpublished	Customer review and published				

Good Governance and Public participation	Improve response time to queries (average response time per query type)	80% of work done within customer charter time frame	Response rate to 85%				
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CHAPTER 4



HUMAN RESOURCES AND ORGANISATIONAL MANAGEMENT

SECTION 1

Human Recourse Management

STAFF COMPLEMENT

During the year under review, Maluti-Phofung- Water had a staff complement of 325 permanent employees and 15 temporary employees. The total number of employees including temporary employees is 340: 224 (males) and 116 (Females).

HUMAN RESOURCE ADMINISTRATION

The following table provides an overview of critical personnel statistics for the reporting period

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	1	0	0	0	2	0	0	0	0	0	3
Senior management	6	1	0	1	2	0	0	0	0	0	10
Professionally qualified and experienced specialists and mid-management	5	0	0	1	2	0	0	0	0	0	8
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	33	0	0	3	17	0	0	3	0	0	56
Semi-skilled and discretionary decision making	66	0	0	1	23	0	0	0	0	0	90
Unskilled and defined decision making	96	0	0	0	62	0	0	0	0	0	158
TOTAL PERMANENT	207	1	0	6	108	0	0	3	0	0	325
Temporary employees	10	0	0	0	5	0	0	0	0	0	15
GRAND TOTAL	217	1	0	6	113	0	0	3	0	0	340

STAFF TURNOVER

Objective

Keep track of appointments, retirements, dismissals, resignation and mortality rates which assist in developing measures to curb those manageable.

Employees that are on temporary employment are excluded from the table.

	<i>RETIREMENT</i>	<i>DISMISSAL</i>	<i>RESIGNATION</i>	<i>DEATH</i>	<i>APPOINTMENTS</i>
Yearly	4	0	3	7	25

OVERTIME

There is a slight decline in the number of overtime claimed during the quarter, but much improvement will be attained with pending appointments.

Overtime Rates	Overtime Total Hours
1.50	42780
2.00	24869
Standby Allowances	12994

ORGANIZATION AND MANAGEMENT STRUCTURE

The following positions were advertised internally and externally during the financial year under review.

- Executive Manager : Corporate Services
- Executive Manager : Operations
- Chief Financial Officer
- Superintendent : Network Maintenance
- Superintendent : Plants
- Senior Artisan : Network Maintenance
- Transport Officer
- Laboratory Technician
- Artisan Assistant : Bulk
- Team Leader : Network Maintenance
- Artisan Assistant: Network Maintenance
- Internal Auditor
- Manager : Internal Auditor

- Manager : Legal Advisor
- Manager : Human Resource
- Performance Management System : Manager
- Pump Attendant
- Bulk Operator
- Tractor Driver
- Tanker Driver
- Query Clerk
- Senior Laboratory Technician
- Security Officer
- Junior Electrician
- Stakeholder and Liaison Officer
- Artisan : Diesel Mechanic
- Motor Mechanic Assistant
- Executive Secretary : Finance , Corporate and Operations
- Senior Process Controller

Industrial Relations

Human interaction at any given point will result in certain misdemeanours being exhibited which will be in contrast with Company rules, regulations and standing policies that demands adherence from all employees. The company experienced high prevalence in interpersonal and absenteeism cases with varying causes, which resulted in proper procedures activated to addresses such misconducts.

CCMA cases have recently increased to which the company has attended to successfully while few are still pending. Regular training has been held to sensitize employees about employer/employee relationship.

SECTION 2

Employment Equity

Compliance with Employment Equity Plan

The department held a meeting with Labour Inspector from Department of Labour regarding Employment Equity Plans and reporting submitted. Areas of concerns were thoroughly ironed out with clear request that the plans be done afresh and be submitted in May for checking and June for final submission.

SECTION 3

Skills Development and Training

Training and skills development

Course	No trainees	Date	Service provider	Amount
Defensive driving	20	17/03/2015	NOSA	R19493.54
IRP 5s Workshop	02	19/03/2015	Pay Day	R2390.00
Payday System Administration	02	Date to be confirmed	BCX	R17715.60
MFMP for managers	12	Continuing for 12 months	Kgolo Institute	R540000-00

The above mentioned trainings were conducted for quarterly and annual report for 2014/2015. It has been agreed that Annual Training Plan for 2014/2015 will be carried over to the new financial year 2015/2016.

Internship

- Extension of Thapelo Bolofo with six months which was required by his institution for him to qualify for his degree.

Study Assistance

- The applications for study Assistance were opened for all interested employees for the reporting month. Applications for mid-year (May for July 2015) were not invited according to study assistance policy due to lack of funds.

SECTION 4

Succession Planning and Retention

Terminations

A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	0	0	0	0	0	0	0	0	0	0	0
Senior management	0	0	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	0	0	0	1	0	0	0	0	0	0	1
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	2	0	0	0	0	0	0	0	0	0	2
Semi-skilled and discretionary decision making	3	0	0	0	1	0	0	0	0	0	4
Unskilled and defined decision making	5	0	0	0	1	0	0	0	0	0	6
TOTAL PERMANENT	10	0	0	0	2	0	0	0	0	0	13
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTAL	10	0	0	1	2	0	0	0	0	0	13

Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Terminations	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Resignation	1	0	0	1	0	0	0	0	0	0	2
Non-renewal of contract	0	0	0	0	0	0	0	0	0	0	0
retrenchment – Operational requirements	0	0	0	0	0	0	0	0	0	0	0
Dismissal - misconduct	3	0	0	0	1	0	0	0	0	0	4
Dismissal - incapacity	0	0	0	0	0	0	0	0	0	0	0
Retirement	5	0	0	0	1	0	0	0	0	0	6
Death	2	0	0	0	0	0	0	0	0	0	2
TOTAL	12	0	0	0	2	0	0	0	0	0	14

Disciplinary Action

Note: A=Africans, C=Coloureds, I=Indians and W=Whites

DISCIPLINARY ACTION	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
	02	0	0	0	0	0	0	0	0	0	02

REPORTABLE HR MATTERS

THEFT

One case of theft has been reported during this reporting period

ABSENTEEISM

There are cases of absenteeism reported during the reporting period

ALCOHOL

The appointment of Wellness Officer has significantly reduced the cases of alcohol fuelled reporting to work by employees.

ROAD SHOWS

Different Units were visited by Human Resources Officials during the reporting period to enlighten employees on employer's expectations while also noting the concerns that will be forwarded to relevant authorities for further action.

MEDICAL AID BENEFIT

Objective

Ensure that employees and those covered are catered for when faced with health challenges and to seek medically associated assistance.

Activity

Medical Aid representatives have visited our company on monthly basis to addresses medical aid issues. The co-operation in this regard from the medical aid representative is commendable.

PENSION FUND

Objective

Ensure that employees contribute to the fund and that documentary requirements are in order, such that dependants do not suffer financially should the inevitable occur or retirees continue to be financially dependent.

Activity

The HR Department trustees and together with Sanlam were (still) visiting beneficiaries to ensure compliance with process, requirements and to assist minor beneficiaries to open trust accounts.

Retirements

During the financial year under review all four (4) retirees were paid out their full benefits.

Resignation

Three (3) employees who resigned during the financial year were paid out their full benefits.

Death

5 cases handled, with two (2) paid out and three (3) outstanding.

LEAVE MANAGEMENT

Objective

Ensure employees take time off work to recharge their batteries and to attend to matters as contained in leave policy.

Activity

The leave matter is still a challenge since a significant number of employees are still having over 31.05. Plans are in place to identify those with more than stipulated days to utilise their days, to contain this challenge.

SECTION 5

Payroll Report

1. Database backup and copying of the previous month information:

1.1 Objective

To have access of the previous month's payroll information.

1.2 Activity

Database backup as well as copying of the previous month's information was performed timeously.

2. Submission of inputs:

2.1 Objective

To capture or process the relevant information for the payment of salaries.

2.2 Activity

Inputs to be captured were submitted timeously by HR Department.

3. Submission of deducting schedules from third parties:

3.1 Objective

To ensure that the deductions processed are correlating to the submitted schedules by the service providers.

3.2 Activity

Schedules were submitted timeously.

4. Capturing and reconciliation:

4.1 Objective

Reconciliation is performed thoroughly before printing of pay slips, to avoid unnecessary expenditure (overpayments) made to employees.

4.2 Activity

Inputs that were received each month were captured and reconciled between Pay Day system as well as the schedules submitted were well performed before printing of pay slips could be done. Clearing off all errors before any printing or submissions to the bank was well performed.

5. Queries:

5.1 Objective

To ensure all employees queries for payroll are attended to.

5.2 Activity

All raised queries were attended to timeously.

6. Payroll close off

Payroll closed off timeously for each month and pay slips were printed and submitted for issuing to employees.

7. Importing of salaries

Salaries files from Pay Day were created each month and imported to the Bank before the 23rd of every month.

8. Student stipends

Paperwork thereof was prepared and processed into E-Venus system and payments were also processed in the bank by the 30th of each month.

9. PAYE payment

Unfortunately due to cash flow problems, PAYE was not paid on time, therefore interests and penalties due to non-payments were incurred.

10. Third parties payments and forwarding of payment schedules

10.1 Objective

To ensure correlation between payroll schedules and those of service providers.

10.2 Activity

Schedules were prepared and forwarded to different third parties by the 7th of each month and payments thereof were also prepared.

11. Integration

11.1 Objective

Balancing of the two systems Pay Day and E- Venus.

11.2 Activity

Balancing of the two systems was performed every month.

11.3 Company statistics as per payday payroll system during the reporting period:

- No. of records - 425
- Active employees - 341

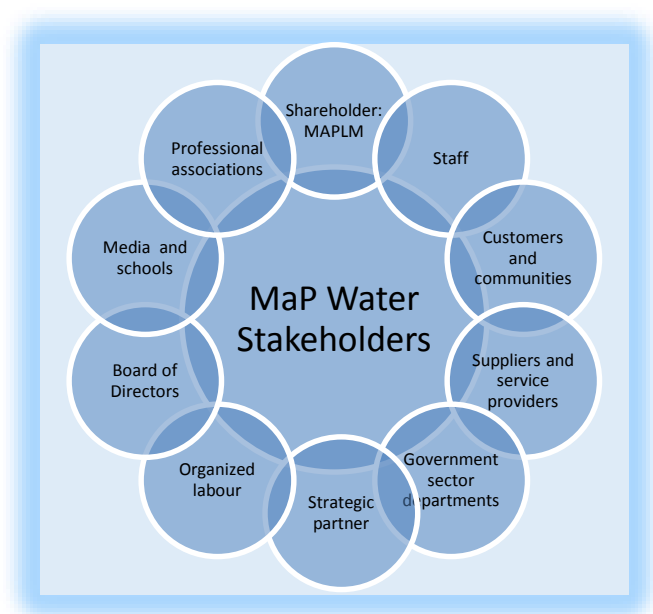
- No. of new employees - 00
- No. of resigned employees – 84

11.4 Company statistics as per reporting period salary summary run:

- No. of records – 425
- Active employees – 341
- No. of new employees – 00
- No. of resigned employees – 00

SECTION 6

Communications



Stakeholder engagement

Our key stakeholders and our relationships with them are a core sustainability issue. Therefore we treasure relationships building, enhancement and progress. Map Water has a number of platforms through which it interacts with its stakeholders because attainment of the mission and vision of Map Water depends on the

collaborative efforts between a numbers of partners. The key stakeholders include our sole shareholder, MAPLM; staff, customers, suppliers, government sector departments, strategic partner, communities, civil society

Internal Communication

Newsletter

To constantly inform Map staff stakeholders about the activities within the organization

✚ Internal newsletter was published on the 19th February 2015

✚ The second publication of newsletter was published on the 21st May 2015

Notice Boards

The notice boards is a platform where the entity inform the employees about the activities such as adverts, staff meetings, internal Memos etc. within the organization. The following notices were placed in the month for the 2014/2015 financial year.

Content	Date
Sars Visit	06 Aug 2014
Wellness day	18 Aug 2014
SAMWU Constituency Meeting	Sep 2014
Nehawu Constituency Meeting	Sep 2014
Nehawu Constituency Meeting	25 November 2014
Acting CEO	18 December 2014
Time off on the 24 th and 31 st December 2014	22 December 2014

Description	Date
NEHAWU Constituency Meeting	05 Feb 2015
Bid Invitations; Supply and delivery of AQ Coupling	09 Feb 2015
Internal adverts	13 Feb 2015
SARS Visits	23 Feb 2015

Internal and External Adverts	14 April 2015
Internal adverts	24 April 2015
Nehawu Constituency Meeting	June 2015
Sanlam Pension Fund Presentation	June 2015

Educational tours

It's a platform where learners visit water or waste treatment plant to see how an entity purifies water. The following schools visited our plants in May 2015.

School name	Number of learners	Date
Qwa-qwa Combined	96	06 March 2015
Ditholwana Primary	56	15 th May 2015
Dipelaneng Primary	100	22 nd and 29 th May 2015
Tshitso Intermediate	86	21 st May 2015
Moeding intermediate	78	21 st May 2015

Media

Map Water use this platform to notify the customers about any water interruption that is going to take place in their areas or any information regarding water and sanitation issue. The following mode of communication are used by Map Water

-  Newspaper (Eastern Free State Issue, Harrismith Chronicle)
-  Radio (Qwa-qwa Radio, Lesedi FM and Orange FM)
-  Pamphlets
-  Loudhailer
-  Social media (Facebook and Twitter)
-  Website

Corporate Social Investments and Educational Programmes

Branding

This is the duty of Communications department to make sure that an entity is branded. 500 branded calendars were distributed to the employees and stakeholders in February 2015.

Education and awareness campaigns

The entity as a WSP has a mandate to conduct education and awareness campaigns continuously on water and sanitation within the community of Maluti-a-Phofung. Fresh water is a scarce resource in South Africa as rainfall is highly variable from year to year. We all have a part to play in conserving water as much valuable water as possible. Reducing water consumption and taking care of sanitation is not only good for the environment but also good for the communities'. We therefore conduct education and awareness campaigns to encourage consumers to use water wisely and to take care of sanitation. All life on earth needs water in order to survive.

These are the awareness campaigns that were conducted to the vegetables project in 2014

Name of Project	Date
Nanieha Veg	02 July 2014
Kutloanong Veg	08 July 2014
Mamello Support Veg	10 July 2014
Refiloe Veg	10 July 2014
Thibalephako Veg	14 July 2014
Tiisetso Veg	15 July 2014
PSaze'sfike vegetable	16 July 2014
Tsebang Veg	16 July 2014
Kweetsa ya Metsi	16 July 2014
Mosia Mosele Veg	22 July 2014
Thuthukani	22 July 2014
Boikitlaetso	23 July 2014

The following are the awareness campaign conducted from June to November 2014

Organization Name	Date	Number of Participants
1. Ratanang Luncheon Club	01 Jul 14	36
2. Phumelela Tsoelopele Community Centre	02 Jul 14	20
3. Mamello Support Group	04 Jul 14	08
4. Ikaheng Batlokoa Luncheon Club	07 Jul 14	19
5. Mamello Support Group	24 Jul 14	18
6. Reabetswe Intermediate School	25 Aug 14	309
7. Makgetheng Primary School	25 Aug 14	287
8. Sedikadikwe Luncheon club	01 Sep 14	8
9. Mookodi Senior Secondary	05 Sep 14	359
10. Paballong Luncheon Club	17 Sep 14	11
11. Sekgutlong Secondary School	25 Sep 14	659
12. Tsheseng Primary School	01 Oct 14	59
13. Venus Farm School	13 Oct 14	11
14. Tlholong Care of the Aged	18 Nov 2014	16
15. Ubuhle Buyeza	18 Nov 2014	16

The following are the awareness campaigns conducted from Jan to June 2015

Name of organization	Area	Date	Activity
Mamellang Luncheon Club	Turfontein	27 Jan 2015	Water and sanitation
Lemohang Luncheon Club	Katlehong	28 Jan 2015	Awareness
Dinare Secondary School	Tseki	11 Feb 2015	Water and sanitation
Clubview Intermediate	Clubview	27 Feb 2015	Awareness
Mollakoe community	Mollakoe	1 April 2015	Water and sanitation Awareness
Food projects	Mollakoe	17 April 2015	Water and sanitation Awareness

Metsimatsho Luncheon Club	Metsimatsho	20 April 2015	Water and sanitation Awareness
CWP	Mollakoekoe	20 April 2015	Water and sanitation Awareness
EPWP	Mollakoekoe	21 April 2015	Water and sanitation Awareness
Mollakoekoe Community	Mollakoekoe	22 April 2015	Water and sanitation Awareness
Thabo Ya Rona day care Centre	Mollakoekoe	28 April 2015	Water and sanitation Awareness
Fruits and Vegetable Projects	Charles Mopeli Stadium	29 April 2015	Water and sanitation Awareness
Sehopotso day care Centre	Mollakoekoe	30 April 2015	Water and sanitation Awareness

Name of Organization	No of Participants	Date	Remarks
Mollakekwe crèche	231	4 May 2015	Presentation was fruitful
Ikaheng Setjhaba fruit and vegetables project	27	5 May 2015	It still need guidance on water conservation
Karabelo crèche	27	5 th May 2015	Presentation was fruitful
Ikaheng Setjhaba fruit and vegetables project	23	6 May 2015	Presentation was fruitful
Comet projects	13	6 May 2015	Presentation was fruitful
Phahameng Community	23	7 May 2015	The project has started saving water at their garden
Comet Luncheon Club	27	11 May 2015	Presentation was fruitful
Ipopeng		13 May 2015	
Ikaheng Setjhaba		14 May 2015	
Comet Community		15 May 2015	

Future farm Project		15 May 2015	
Diqhobong intermediate		15 May 2015	
Phahament Community		20 May 2015	

On the 8th May 2015 Education and awareness campaign was conducted to the following projects

Name of Organization	Number of participants
Tswelangpele	120
Dikgalala tsa Makwane	4
Itsoseng	3
Imbogodo	6
Ikaheng setjhaba	5
Thalabodiba	5
Mohapi Agriculture	5
Sizweni	5
Tsebang	2

On the 12th May 2015 Water awareness campaign was conducted at Mangaung Agriculture office and the following projects attended the campaign

Name of Organization	Number of participants
Future farm project	2
Sukgutlong Vegetables	4
Dikgakeng	1
Bottle ba tlhaho	2
Lehlohonolo	3
Makong	1

Name of Organisation	Venue	Date	Activity
Metsimatsho Mobile clinic	Metsimatsho	9 th June 2015	Water and sanitation Awareness campaign
Imameleng day care centre	Makwane	9 th June 2015	Water and sanitation Awareness campaign
Mobile Clinic	Makwane	11 th June 2015	Water and sanitation Awareness campaign
Botlehadi crèche	Molapo	12 th June 2015	Water and sanitation Awareness campaign
Namadi River	Makwane	30 th June 2015	Water and sanitation Awareness campaign

Thabo Mofutsanyane District Environmental Forum - this are the campaigns that are conducted by Thabo Mofutsanyane District Environmental Forum. The forum consist of the following departments **MaP** Water, Department of Health, Agriculture, DETEA, SAN Parks and District Municipality.

Name of organization	Venue	Date	Activity
Morena Tshohisi Primary School	Makholokoeng	15 th April 2015	Water and sanitation Health and hygiene Food safety (World Health Day)
Makholokoeng Community	Makholokoeng	16 th April	Water and sanitation Health and hygiene

✓ Department of agriculture ✓ MaP Municipality ✓ MaP Water	Makwane	23 rd June 2015	Basic vegetable production presentation Water conservation and sanitation
✓ Department of agriculture ✓ MaP Municipality ✓ MaP Water	Makwane	24 th June 2015	Basic vegetable production presentation Water conservation and sanitation

ADOPT A RIVER WARENESS CAMPAIGN

Tsebang Project situated in Molapo under leadership and support by the entity has adopted two rivers, Namahadi and Kgopjane. These rivers are being cleaned every twice a week. The following pictures indicate waste removed from the rivers and education and awareness was conducted to the community surrounding the rivers encouraging them to refrain from polluting rivers.



DISTRICT COMMUNICATORS FORUM (DCF) is a strategic meeting of communicators aimed at, among others, sharing information, compiling the communicators programme, coordinating calendar of events to ensure streamlining of activities to avoid duplication and to iron out communications programmes in the district. The following meetings were held in 2014/2015 financial year.

Date	Name of municipality	Place	Time
09 Feb 2015	Setsoto local Municipality	Ficksburg	10h00
29 June 2015	Dihlabeng local municipality	Bohlokong	10h00

EVENTS MANAGEMENT

This is the events attended and organised by the entity or our stakeholders. Communications Department make sure that the company is branded during the events. The following events took place in 2014/2015 financial year.

National Science Week

Is an initiative of the Department of Science and Technology (DST) which aims to excite our youth with science at an early age and to encourage them to develop an interest in studying mathematics and science subjects. In August 2014 National Science week was celebrated in Tshiya.

Date	Time	Schools	Departments Attended
04 Aug 2014	09h00 – 14h00	Qwa-qwa Combined	Communications Operations
		Kgolathuto Secondary	
		Boitsebelo Intermediate	
05 Aug 2014	09h00 – 13h00	Kwadi Sec	Communications Operations
		Kgolathuto	
		Beacon SEC	
		Makabelane	
06 Aug 2014	09h00 – 13h00	Mampoi	Communications

		Selelekela	Operations
07 Aug 2014	09h00 – 13h00	Boitsebelo	Communications
		Thokoana	Operations
		Qwaqwa combined	
		Reahola	

Women in Water Awards

Department of Water Affairs and Sanitations (DWAS) had the first provincial Women in Water Awards (WWA) on the 18th August at Clarens. The events aims to recognise, honour and celebrate the dedicated women who are actively involved in the water sector of the South African economy. These dedicated women's efforts are recognised by DWAS and Water boards across the province and they are also encouraged to continue putting more efforts in the water sector by participating in the water conservation projects within their respective areas. Women in Water Awards (WWA) verification process was conducted on the 20th August 2014 for the provincial competitions and the following project were visited:

1. Refiloe Vegetable Project
2. Thutukani Vegetable Project
3. Kweetsa ya noka

There were four categories as listed below and the winners as per category are as follows:

Water management and water demand category:

Name of Project	Name of Category	Award/Prize	Position
Refiloe Vegetable	Water conservation and demand management	R10 000, trophy and a certificate on a Provincial level	First Position Provincial level and
		R50 000 and a certificate on a National level	Second price National
Thuthukani vegetable	Water conservation and demand management	R5 000, trophy and a certificate on a provincial level	Second prize Provincial

Tsebang vegetable project was only shortlisted but did not win the competition.

Adopt a river category

Name of Project	Name of Category	Award/Prize	Position	
Kweetsa ya Noka	Adopt a River	Trophy and a certificate on a Provincial level	Second Provincial level	Position

Kweetsa ya Noka was shortlisted for the National Competition but did not win any price.

Wellness day

On the 04th September MaP Water together with Bonitas Medical Scheme had wellness day at our premises

Cancer Vive

On the 3rd October 2014 Cancer vive together with Sasko invited MaP Water to the event that was aimed to create and awareness on so called shy cancer. This is the cancer that most people find difficult to talk about. This event was held at Tsheseng then proceed to Crescent Mall.

Free State Women in Water Handover

The communication department were invited to the Women in water handover ceremony in Makgolokweng and Thaba Nchu, the report is as follows

Department of Water and Sanitation have a programme that is called Women in water. This programme is divided into four categories and it was formed to appreciate the projects that lead by women's. The categories are

1. Adopt a river
2. Water conservation and water demand management
3. Community Development
4. Water education
- 5.

There were two events in November 2014, the first event was held at Makgolokweng village where Refiloe vegetable project received the sum of R 60 000.00 from Department of Water and Sanitation. They won a first prize of R 10 000 00 in the Provincial level and R 50 000.00 on the National level where they were 2nd. Their handover ceremony was held on the 19

November 2014. They won in the category of Water conservation and water demand management

The second event was held on the 28 November 2014 at Thaba Nchu in Free State.

The purpose of this event was to hand over the sum of one Hundred thousand rand to Batjha Community Based Care. This group is based in Thaba Nchu and they have started their company in 2008, it was registered in 2009. This youth are the volunteers who do their job with love and passion. Their project do the following Job Creation, Education and Awareness on water related issues, trainings, cleaning of rivers and gardening. They have entered competition on education and awareness and adopt a river, were they have won first prize in Adopt a river and second prize in Education and awareness in the Provincial level.

On the 22nd August 2014 they went to National Women, in Water awards that was held in Rustenburg they managed to won the first price on the national level for Education and awareness.

Year-end function

This event was held on the 12th December 2014 at President Brand Park in Harrismith.

Luncheon clubs and supportive day

On the 19th Dec 2014 the office of the Executive Mayor invited Map Water and other stakeholders to the event that was held at Hlatseng. The aim of the event was to hand over food parcel and blankets to elders.

National Water Week

In honour of the National Water Week and World Water Day, MaP Water has a mandate to continue raising awareness on the importance of water conservation to the community of Maluti-a-Phofung. This will be done by cultivating its community and providing scholars/students and women in water a platform to share their ideas/ views on how water can be conserved. Scholars/students will be afforded the opportunity to compose a song

based on the theme and any other issues surrounding water conservation in their local municipality. And women in water projects will be touring to Refilwe Fruit and Vegetables Project. See the below table for the events that took place during water month.

Theme: Water is Life and Sanitation is Dignity

Day 1



Lebohang primary school is based in Matebeleng. The entity assisted the school with all relevant information, coaching and all the support they needed. The school entered the BAWSA le MEETSI competitions and came out first in the district level and again came out first in the provincial level will now go for national competitions with the assistance of the entity.

Presentation	Date	Responsible Department	Name of Schools	Duration
Water Conservation Hand Wash Water Purification	16 th March 2015	MaP Water Department of Health MaP Water	Lebohang Primary	1hour

Day 2

Presentation	Date	Responsible Department	Name of Schools	Duration
Can Game Water Conservation Hand Wash Water Purification	17 th March 2015	B /Bosch Conservancy MaP Water Department of Health MaP Water	Mamello support Group (	1pm/ 13hours

NB. The campaign was postponed due to weather conditions.

Day 3

Presentation	Date	Responsible Department	Name of Schools	Duration
Can Game	17 th March 2015	B /Bosch Conservancy	Mamello support Group	1pm/ 13hours
Water Conservation		MaP Water	Phuthaditjhaba Stadium	4pm
Hand Wash		Department of Health		
Water Purification		MaP Water		

18th March 2015

ACTIVITY	DEPARTMENT	VENUE	DURATION
Water Conservation	Communications	Workshop	30minutes
Water Purification	Technical	Workshop	30minutes
Water conservation song	Lebohang Primary School	Workshop	15minutes
Can game	B/Bosch Conservancy	Workshop	30minutes
Hand Wash	Department of Health	Workshop	30minutes
Query Reporting	Query Clerk	Workshop	10minutes
Waste Water	Technical	Workshop	30minutes
Refreshments			
Soccer and Netball	All	Phuthaditjhaba Stadium	90minutes
Management Plants Tour	Technical	Phuthaditjhaba Sewage and Makwane Water Treatment Plant	2hours

NB. Due to management meeting the above did not continue as planned.

Day 4

Presentation	Date	Responsible Department	Name of Schools	Duration
Can Game	19 th March 2015	B /Bosch Conservancy	Katleho	13:00
Water Conservation		MaP Water	Karabelo S/P	8:00
Hand Wash		Department of Health		
Water Purification		MaP Water		

NB. Water campaign for Karabelo did not continue due to weather conditions.

Day 5

Presentation	Date	Responsible Department	Name of Schools	Duration
Can Game	20 th March 2015	B /Bosch Conservancy	Machaea Primary School	10:00
Water Conservation		MaP Water		
Hand Wash				
Water Purification		Department of Health MaP Water		

Day 6

Presentation	Date	Responsible Department	Name of Schools	Duration
Water Conservation	23 rd March 2015	MaP Water	Boipopo Intermediate	1 Hour
Hand wash		District Municipality		

Day 7

Activity	Date	Responsible Department	Venue	Duration
Education and Awareness	24 th March 2015	Communications	Kgotsong P/S	8am
Media and MaP Portfolio Plants Tour	24 th / 31 st March 2015	Technical and Communications	Makwane Treatment and Phuthaditjhaba Waste treatment Plant	10am

NB. Kgotsong awareness did not continue due to weather conditions and the tour to the plants was due to the budget constraints.

Day 8

Activity	Date	Responsible Department	Venue	Duration
Water conservation Hand wash Can game	25 th March 2015	MaP Water District Municipality B/bosch conservancy	Moteka SS	1 Hour

Day 9

Presentation	Date	Responsible Department	Name of Organization	Duration
Water Conservation Water Purification	26 th March 2015	MaP Water MaP Water	Masibonisane Project	1 Hour

NB. The above did not continue due to weather conditions.

Day 10

Presentation	Date	Responsible Department	Name of Schools	Duration
Water Conservation Can Game SAPS Agriculture Ward Councillor	27 th March 2015	MaP Water B/Bosch conservancy SAPS Tree Planting	Boipopo Intermediate	10am to 2:30 pm

Day 11

Presentation	Date	Responsible Department	Name of Organization	Duration
Water Conservation	30 th March 2015	MaP Water	Ward 19 Project	1 Hour

Day 12

Presentation	Date	Responsible Department	Name of Organization	Duration
Water Conservation	31 st March 2015	MaP Water	Tsebang project	1 Hour

Wilge Forum

Water week event was celebrated on the 21st April 2015 at Reitz. This forum consist of the municipalities and water sectors that are getting water from Wilge River. This event was celebrated with Reitz Schools, MaP Water, Department of Water and Sanitation, Thabo Mofutsanyane District Municipality and Nketoana Local Municipality.

Application for sponsor ships – donations

Objective – to ensure that MaP Water ploughs back to the communities it serves and continues to be a good corporate citizen. Bottled water was sponsored to the different organizations.

No.	Name Of Institution	Number of Bottles	Event	Date Collected
1.	Drade	300	Crusade	03 July 2014
2.	MaP Water	50	Board Meeting	04 July 2014
3.	MaP Water	100	Water Supply	07 July 2014
4.	MaP Municipality	100	MM Meeting	09 July 2014
5.	MaP Municipality	100	Council meeting	11 July 2014
6.	MaP Water	50	Meeting	16 July 2014
7.	MaP Municipality	500	Council Meeting	17 July 2014

8.	MaP Municipality	1500	Mandela Day	17 July 2014
9.	MaP Municipality	350	Mandela Day	18 July 2014
10.	MaP Municipality	150	Council Meeting	23 July 2014
11.	MaP Municipality	300	Council Meeting	23 July 2014
12.	MaP Water	50	CEO Office	30n July 2014
13.	MaP Water	75	Chief Whip	31 July 2014
Total bottled water				3 625

No.	Name Of Institution	Number of Bottles	Event	Date Collected
1.	Social Development	100	HOD Meeting	04/08
2.	MaP Municipality	120	Memorial Service	05/08
3.	MaP Water	50	Presentation	05/08
4.	MaP Water	36	Meeting	07/08
5.	MaP Water	200	Women in Water Awards	08/08
6.	MaP Municipality	200	Funeral of Ward Cllr	08/08
7.	MaP Municipality	150	Women and Children with disability	14/08
8.	Traffic Department	1000	Meeting in Harrismith	14/08
9.	MaP Municipality	150	Meeting	15/08
10.	Thabo Mofutsanyane District Municipality	300	Motsepe Foundation	18/08
11.	MaP Water	50	Meeting in Harrismith	18/08
12.	MaP Water	25	Office meeting	18/08
13.	MaP Municipality	50	CFO Meeting	19/08
14.	MaP Municipality	200	Roadshow	19/08
15.	MaP Water	50	Meeting	20/08

16.	MaP Municipality	600	Meeting	21/08
17.	MaP Municipality	600	Cosatu Rally	21/08
	Total			3881

Name of Organization	Date	Quantity	Type of event
MaP Municipality	4 Nov 2014	60	Meeting
MaP Water	4 Nov 2014	60	Function
MaP Municipality	6 Nov 2014	100	Meeting
MaP Fire	13 Nov 2014	100	Memorial Service
MaP Municipality(Sports)	14 Nov 2014	300	Elders celebration
MaP Municipality(Office of the Mayor)	17 Nov 2014	500	CCV Camera Launch
MaP Municipality	19 Nov 2014	1000	Memorial service & the funeral of the Later Rev. Mabe
MaP Water	19 Nov 2014	50	Board Meeting
SAPS	20 Nov 2014	50	Event
MaP Municipality	20 Nov 2014	60	Meeting
Old Mutual	21 Nov 2014	300	Function
Department of Justice	27 Nov 2014	300	20 Years celebration
MMMRH	27 Nov 2014	100	Aids Day
MaP Municipality	27 Nov 2014	300	Arrive alive
Qholaqhwe Day care centre	27 Nov 2014	100	Graduation
MaP Water	28 Nov 2014	50	Office of the Acting CEO
MaP Municipality	28 Nov 2014	1000	Traffic Meeting
MaP Municipality	28 Nov 2014	2000	Minister visits
RCC	28 Nov 2014	200	Church Ceremony

MaP Municipality	29 Nov 2014	600	Event
Total water consumed in November 2014			7200

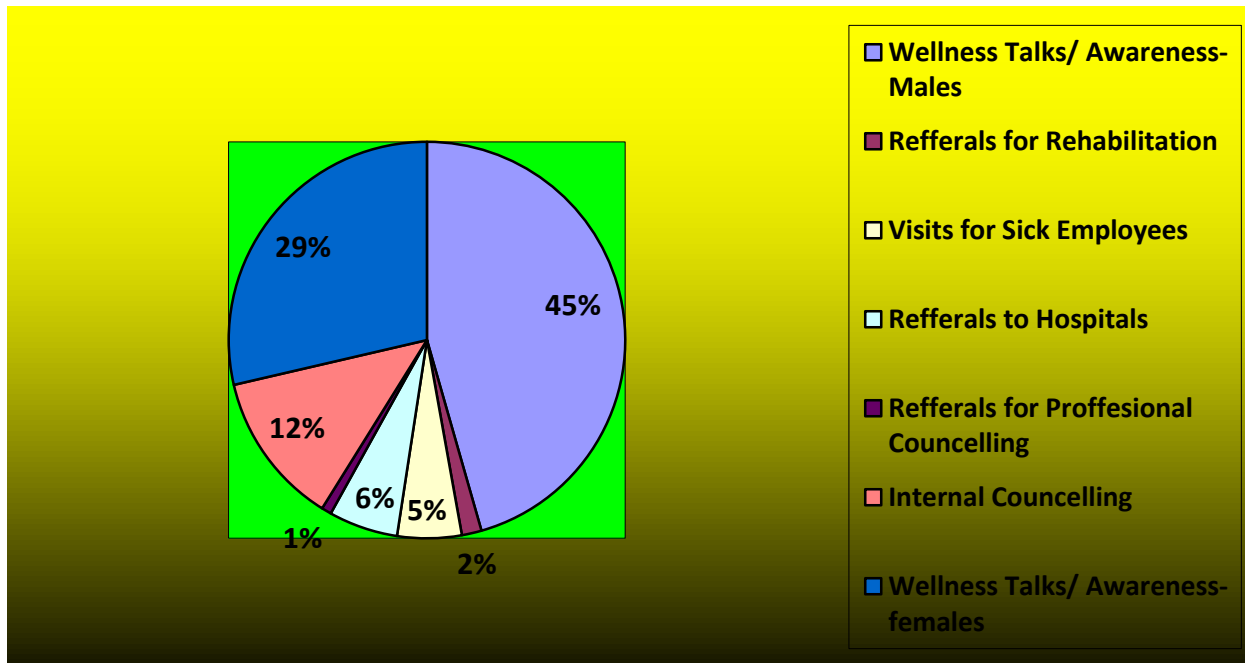
Name of Organization	Date	Quantity	Type of event
MaP Municipality	17 Dec 2014	200	Council Meeting
Total water consumed in November 2014			200

Employee Assistance/Wellness Programme

Wellness

Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Wellness Statistics	Male				Female				Total
	A	C	I	W	A	C	I	W	
Health & Wellness Talks/ Awareness	111	0	0	3	70	0	0	0	184
Referrals for Rehabilitation	03	0	0	0	01	0	0	0	04
Visits for sick employees	08	0	0	0	05	0	0	0	13
Employees referred to Hospital/ Doctors	09	0	0	0	05	0	0	0	14
Referrals for Professional Counselling	01	0	0	0	01	0	0	0	02
Internal Counselling	23	0	0	0	08	0	0	0	31
TOTAL PERMANENT	28	0	0	3	13	0	0	0	04
Temporary employees	08	0	0	0	02	0	0	0	10
GRAND TOTAL	155	0	0	3	90	0	0	0	248



Narrative Report

- During this reporting period there are twenty nine employees who added their dependants on their medical aids and.
- One case of an employee who was handed to the attorneys for non-payment of medical aid amounting to R20, 000 has been resolved, and the amount is fully paid by Bonitas Fund.
- There was a visit done by Human Resources Officer and Wellness Officer to the families of employees who are receiving disability grant.
- Different sporting code/ extramural activities are still happening on Wednesdays and weekends and this contributes a lot to the health and wellness of Map-water employees.
- During this reporting period there are employees who joined Bonitas and Discovery as New members.
- Flu-vaccination event took place in this reporting period, whereby 39 employees participated and received vaccination.
- MOSO Consulting also visited Map-water on the day of Flu-vaccination to assist employees with different queries in the reporting period.
- There was a visit done by Human Resources Officer and Wellness Officer to the family of an employee who is receiving disability grant to assist on the issues relating to work.

- There was a presentation done by Sanlam for employee's pensions, while Old Mutual was also assisting their existing members and Sanlam Sky also presenting their products.

Report for Wellness Day Event

- On the 05th of September 2014 Human Resources together with Bonita's organized a wellness day event for all Map water employees. The aim was to give individuals an opportunity to check if they are still in a good state of health as winter might have affected some employee's health wise.
- Employees were screened for the body mass index, blood cholesterol level, blood glucose level, blood pressure, body fat percentage measure, sugar diabetes testing.
- The event became very successful as more than 101 staff members participated.
- The event was done for Bonita's members only, but all employees showed much interest in taking care of their health. In the future both Bonitas and Discovery will be organized for all MAP Water employees.

Summary of Wellness Day Report

Gender			Total		
Female			Male		
Smoking	Non Smokers	38	36	74	73.3 %
	Smokers	1	11	12	11.9 %
	Ex-Smokers	2	13	15	14.9 %
BMI	Normal	8	24	32	31.7 %
	Overweight	6	23	29	28.7 %
	Obese I	9	11	20	19.8 %
	Obese II	13	1	14	13.9 %
	obese III	5	1	6	5.9 %
Waist-Hip Ratio	Desired	41	50	91	90.1 %
	At Risk	0	10	10	9.9 %
Blood Pressure	Acceptable	21	20	41	40.6 %
	Elevated	17	37	54	53.5 %

Severe	2	3	5	5.0 %	
Acute	1	0	1	1.0 %	
Glucose	Acceptable	39	60	99	98.0 %
Elevated	1	0	1	1.0 %	
Severe	1	0	1	1.0 %	
Cholesterol	Acceptable	26	48	74	73.3 %
Elevated	15	12	27	26.7 %	
Depression	Severe	10	8	18	17.8 %
Acceptable	31	52	83	82.2 %	
Diabetes	an - diagnosed	3	5	8	7.9 %
Low (1%)	9	29	38	37.6 %	
Elevated (4%)	21	17	38	37.6 %	
Moderate (16%)	7	9	16	15.8 %	

SECTION 7

Information Technology

2014-2015 ICT Annual Report

Major Projects

Description	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
Harrismith to QWAQWA Link Stabilization	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	Weekly Maintenance on the wireless devices.
Hardware Upgrade	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	
DRP	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	Commenced with the Configuration of user backups.
ICT Policies Implementation	30%	30%	30%	40%	40%	40%	40%	40%	40%	40%	40%	40%	Awaiting for the Policies to be signed-off to implement.

New Server Room Implementation	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	First phase completed, Waiting for the budget approval to implement second phase.
Fault Logging system	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	Waiting management reports to incorporate and training to follow
Information Request on Audit findings		80%	80%	80%	80%	80%	100%	100%	100%	100%	100%	100%	Updated and did send the status report of Audit Findings.
Website Development	80%	80%	80%	100%	100%	100%	100%	100%	100%	100%	100%	100%	
E-mail, Internet and Finance Applications access to the users						100%	100%	100%	100%	100%	100%	100%	Did send a quote to the IT Manager and Management needs to Approve the Budget
Information Request on Critical Project List	N/A	N/A	N/A	N/A	N/A	N/A	Pending	100%	100%	100%	100%	100%	Need to send a letter and project list to management
Quotations for Training	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	100%	100%	100%	Successfully gathered the information and sent the quote to IT Manager
E-Set Anti-virus update	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Pending	Pending	100%	The license is renewed for 2 years

Task Achievements

Description	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Comments
Internet usage report.	N/A						100%	100%	100%	100%	100%	100%	
Calendars and diaries							100%	100%	100%	100%	100%	100%	Calendars are finished and distributed. Diaries are still pending.
Manual system to monitor end-user assistance							100%	100%	100%	100%	100%	100%	
Create a tool for measuring progress on tasks and projects							100%	100%	100%	100%	100%	100%	
Finalize documents for training							50%	100%	100%	100%	100%	100%	Submitted to Me. Sithole
Meeting schedule for the year							50%	100%	100%	100%	100%	100%	Bangisisi trained Me. Seisa on how to do these.
Review server migration phases and documents.							50%	100%	100%	100%	100%	100%	Documents have been received and reviewed.
Research on software to be used to manage the usage of internet.							0%	100%	100%	100%	100%	100%	
Create an end-user manual (attach a user policy)							40%	100%	100%	100%	100%	100%	It was presented to Me. Skefu on the 26th February 2015, it was accepted in that meeting. These documents needs to go for approval.
Review the utilization of personal computers on MAP Water domain.							0%	100%	100%	100%	100%	100%	
Collecting of quotes for all projects							10%	10%	10%	10%	10%	10%	In progress.
Status review on other outstanding projects							10%	70%	70%	70%	70%	70%	In progress.

The following are the outstanding phases for the Server Room Migration project from the year 2013/2014.

Phase 1

Prepare the server room with all requirements as stated below and included in the documentation attached.

Pending Tasks for Phase 1

- 1) Wooden Door to be painted and close properly.
- 2) IS to install the internet service
- 3) Physical access to server room to be implemented.
- 4) Server rack cabling to be completed for server move.
- 5) Budget needs to be approved and released.

Phase 2

Pending Tasks for Phase 2

- 1) Wireless network to be upgraded from Harrismith to QwaQwa and other locations for backups, replication and redundancy.
- 2) Servers need to move to QwaQwa
- 3) Network configuration and server / User configuration for new network topology.
- 4) Backups to be tested in new network.
- 5) Budget needs to be approved and released.

Phase 3

Pending Tasks for Phase 3

- 1) Server room in Harrismith needs to be revamped to the same specifications as QwaQwa's server room.
- 2) Replication to be configured between QwaQwa and Harrismith for DR.
- 3) Budget needs to be approved and released.

The major challenge for these outstanding phases is lack of financial resources.

CHAPTER 5

FINANCIAL PERFORMANCE

SECTION 1

Statement of Financial Position and Notes

SECTION 2

Statement of Financial Performance and Notes

SECTION 3

Cash Flow Statement

SECTION 4

Statement of Changes in Net Assets

CHAPTER 6



AUDITOR GENERAL REPORT

SECTION 1

Auditor General Report for the Current Year

Not available at this time.

SECTION 2

Historical Audit Findings and Remedial Action

The purpose of this report is to provide feedback on the progress made with respect to the implementation of the Audit Action Plan as developed in response to the municipal entity's audit report for the financial year ended 30 June 2014.

To provide feedback on the current control environment and corrective measure implemented during the financial year 2014/2015.

IMPLEMENTATION OF AUDIT ACTION PLAN

IRREGULAR EXPENDITURE

The full extent of the irregular expenditure as disclosed in the annual financial statement where submitted to Board of Directors for approval. Then it was submitted to the MPAC for oversight then to our parent municipality internal audit to investigate in terms of section 32 of MFMA. The entity has put tremendous efforts to ensure that occurrence of irregular expenditure is reduced to a minimum as well as putting in place that the irregular expenditure are reported to Board and MPAC for oversight on a quarterly basis.

FRUITLESS AND WASTEFUL EXPENDITURE

The entity has incurred fruitless and wasteful expenditure due to late payment of creditors, however this is still a challenge which the entity is facing due to cash flow problems experienced during the 2014/2015 financial year. All fruitless and wasteful expenditure where also submitted to MPAC and internal audit at the parent municipality for investigation in terms of section 32

MATERIAL IMPAIRMENTS

Material impairments were incurred as a result of provision for irrecoverable trade debtors from non-exchange transactions. This emanates from the debt which the parent municipality owes the entity and the parent municipality should ensure that they pay the entity all its outstanding balance because that revenue is received by was not paid over to the entity by the parent municipality as paid by the customers on water and sanitation sales.

GOING CONCERN

The entity incurred a net loss of R34, 960,516 during the year ended 30 June 2014 and that as of that date the municipal entity's current liabilities exceeded its total assets by R148, 988,016. The current situation can improve if the parent municipality can pay all the outstanding invoices which they owe the municipal entity. With regard to the current liabilities exceeding the total assets the liability of R140 million from Department of water affairs emanates long before then inspection of the entity in 2005 and this needs to be resolved between the parent municipality and the municipal entity, however the entity still pays the current accounts even though for 2014/2015 no invoices were paid to DWA due to financial challenges incurred by the entity.

Other findings as reported by the Auditor General

All findings as reported where on the action plan and the action were documented on the action plan which also note how the issues has been addressed (see Action Plan as on Appendix A). Most of the previous year findings had been resolved as at 30 June 2015.

SECTION 3

Cash Flow Statement

SECTION 4

Statement of Changes in Net Assets
